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American Civil Rights in a Revolutionary Age

III. The Problem of Loyalty

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The third and concluding article of a series

IN the two preceding articles in this series, I have shown that the situation in which the United States now finds itself before the onward march of Russian Communism is not that of serving simply as the stage on which the relative validity of two sets of ideas can be discussed objectively. Attention need only be called to recent events in Czechoslovakia, which have made it abundantly clear that the program of Russian Communism is not the transformation of a minority into a majority by the democratic and parliamentary methods of discussion and free elections.

It would be impossible to overemphasize the fact that because of the fundamental conflict between the basic tenets of democracy and of communism concerning the nature of man, the struggle of democracy against that ideology must take on something of the character of emergency measures in self defense. Democracies everywhere are faced with the question whether they can remain true to themselves and allow free rein within their borders to the adherents of an ideological system which negates the basic democratic dogma, and which explicitly states that its propagation shall and ultimately must be accomplished by force.

It has also been shown that the Congressional investigative committee, in particular the Committee on Un-American Activities, has been one of the main devices through which the government of the United States has attempted to uncover and to deal with Communist propagandists in this country. The second main device now in operation is the Loyalty Program which centers in the Loyalty Review Board set up on March 22, 1947.

The adoption of the present loyalty program does not represent the first attempt of the United States government to meet the problem of loyalty in a time of technical peace.

In order to understand the problem and the difficulties that attend it, some preliminary definition is necessary. What in effect is meant in this connection by loyalty? The term is obviously used here in its political connotation, i.e., as indicating, in dictionary phraseology, "fidelity to law or the lawful government or sovereign."

In the world of "sovereign states" of the past three hundred years, governments have had to depend upon this fidelity or loyalty for their defense against enemies external and internal. For the most part this dependence has been restricted to a state's own nationals, though under certain circumstances aliens have been drafted into military or other armed service.

It is a commonplace that in the primary in-

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terest of self defense a government must at all times be in a position to take action against those whose disloyalty goes so far as to lead them to use force against it—the government.

The most obvious form of disloyalty to government is known as treason. In English law, treason has included offenses not involving the direct use of force. The founders of the Constitution of the United States purposely framed a narrower definition whereby "treason against the United States . . . . [should] consist only in levying war against them, in adhering to their enemies, giving them aid and comfort." Congressional legislation has closely followed the Constitutional definition. For conviction for treason there must have been a specific overt act. The courts have held also that the mere use of force in resistance to the execution of the law, but with no public purpose in view, such, for example, as that of preventing the execution of an act of Congress, is not a levying of war, and hence does not constitute treason, regardless of the degree of force employed.

Because of this restrictive definition of treason, both national and state governments have legislated in other terms concerning disloyalty, whether by word or deed, that falls short of the constitutional specifications of treason. The state criminal codes penalize actual violence against government, life, and property, and the planning or counselling of such violence. In addition, the states have enacted specific statutes against disloyalty. These have been designated as "anti-sedition," "anti-criminal anarchy," and "anti-criminal syndicalism" laws. In the United States criminal code, conspiracy "to overthrow, put down, or destroy by force the Government of the United States, or to levy war against them, or to oppose by force the authority thereof, or by force to prevent, hinder or delay the execution of any law of the United States" is penalized, as is also conspiracy "to commit any offense against the United States."

This law has been interpreted to cover conspiratorial speech or publication as well as overt acts. Since, however, it is limited to conspiracies, it does not reach a single individual alone. Individual disloyal action was covered by the Sedition Act of 1918 which provided that "whoever, whenever the United States is at war shall wilfully utter, print, write or publish any disloyal, profane, scurrilous or abusive language about the form of government of the United States, or the Constitution . . . . or the military or naval forces . . . . or the flag, ... or the uniform . . . ., and whoever shall wilfully advocate, teach, defend, or suggest the doing of any of the acts or things in this section enumerated . . . . shall be punished by a fine of not more than $10,000, or imprisonment for not more than 20 years, or both. . . ." This act is still on the statute books. It has been supplemented by a statute of 1940, the Alien Registration Act, which is applicable in times of peace as well as of war, and according to which it is unlawful "to knowingly or wilfully advocate, abet, or teach the duty, necessity, desirability, or propriety of overthrowing or destroying any government in the United States by force or violence . . . . ," or "to print, publish or circulate any matter to the same effect, or to assist in organizing any group for the purpose."

The attitude of the Supreme Court toward the above mentioned state laws has varied. In some earlier cases they have been upheld, no special insistence having been put on the "clear and present danger" criterion. In the case of *Whitney* v. *California,* in 1927, a California anti-criminal syndicalism statute and the conviction under it of one Miss Whitney, "of assisting in organizing the Communist Labor Party of California, of being a member of it, and of assembling with it" were upheld. The statute in question "penalized membership in any organization advocating 'the commission of crime, sabotage . . . . or unlawful acts of force and violence or unlawful methods of terrorism as a means of accomplishing a change in industrial ownership or control or effecting any political change'." The Court held that the act and Miss Whitney's conviction were "not repugnant to the due process of law clause as a restraint of the rights of free speech, assembly and association."

Ten years later (1937) in the case of *Herndon* v. *Lowry* the Court held the application of a provision of the penal code of Georgia to to the defendant as in violation of due process in relation to freedom of speech and of assembly. The opinion declared that "the mere attempt to seek members for or to organize

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a local unit of the Communist Party could not of itself be interpreted as a *present* (the italics are mine) incitement to violence even though the doctrines of the Party might be said to be 'ultimate resort to violence at some indefinite future time against organized government'."

By their very nature and their wording, all these statutes place the exercise of wide discretion in the courts. The jury may, as put by one writer, be "cut loose entirely from overt acts and the world of the five senses [and may find itself] . . . . adrift on a sea of speculation." Under such circumstances, the decisions reached will tend to reflect the political views of the members of the courts, and the constitutional rights of the individual may easily fall into the background.

Other efforts have been made by the national government in the matter of disloyalty. The ensuring of a loyal prospective citizenry has been attempted through provisions for the screening of aliens in immigration, naturalization, and deportation laws and regulations.

The present immigration law excludes anarchists and all persons who advise, advocate, or teach opposition to organized government; those who are affiliated with any society devoted to that kind of propaganda; and those who write or distribute, or belong to organizations which publish and circulate printed matter advocating opposition to organized government or overthrow by force of the federal government or all forms of law or the unlawful assault and killing of officers of any established government or the unlawful injury of property or sabotage. Aliens who shall do or who have at any time done any of these things are likewise to be excluded. In addition, the Alien Registration Act of 1940 required the registration of all aliens then in the United States and the registration of all aliens entering the country.

In spite of these restrictions immigrants still succeed in illegally entering the United States and in remaining in the country. To meet this situation Congress has given the Commissioner General of Immigration far reaching authority to deport such aliens, as well as "all alien revolutionists, anarchists, advocates of sabotage, violence and assassination and all foreigners who aid and abet them."

Hutton in *The Philadelphia Inquirer*

"Just Give 'Em That Good Old Honest Look"

The courts ordinarily accept as final the determination of the immigration authorities as to the facts upon which deportation is ordered, if supported by any evidence, and there is no doubt that after the First World War many aliens were deported against whom substantial charges could not be maintained. Deportation is at present being extensively resorted to in the cases of communist aliens in the United States.

The naturalization law of the United States excludes persons advocating opposition to organized government or those who would overthrow by violence the government of the United States or who are in any way affiliated with organizations which advocate such opposition to government. The would-be citizen must "renounce absolutely and forever all allegiance and fidelity to any foreign prince, state potentate or sovereignty" and must take an oath "to support and defend the Constitution and the laws of the United States against all enemies foreign and domestic and to bear true faith and allegiance to the same." For some years judges have interpreted this oath to include a pledge to bear

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arms in defense of the country, a ruling which has given rise to various cases, notably the Rosika Schwimmer case and the Macintosh case, in both of which the Supreme Court upheld the denial of citizenship.

Mrs. Schwimmer, a pacifist, refused to take an oath of allegiance which should be interpreted as binding her "to take up arms personally." Macintosh, a professor in the Yale Divinity School, found himself unable to take an oath which should bind him "without knowing the cause for which . . . . [the] country . . . . [might] go to war . . . . [to] take up arms in defense of . . . .[the] country, however necessary the war . . . . [might] seem to be to the government of the day."

During the past few years the problem of loyalty has assumed large proportions in the United States. Since 1939 the Congress has been giving especial attention to the matter of freeing the government service of "disloyal" persons. Conspicuous among its efforts in this direction was the inserting of a clause in an appropriation act in 1943 whereby R. M. Lovett, G. B. Watson, and W. E. Dodd, Jr., were ordered off the government pay roll for alleged subversive activities on the recommendation of the Dies Committee. In March, 1946, the Supreme Court invalidated this action as amounting to a Bill of Attainder and the three men were awarded the back pay due to them.

Congressional agitation culminated finally in the establishment by the Civil Service Commission of the Loyalty Review Board and of agency and regional loyalty boards in November, 1947. A full account of this new piece of governmental machinery appeared in *Forum,* February, 1948. It is unnecessary to repeat the details here. The system as established provides for a checking against the records of the Federal Bureau of Investigation of the factual personal material required, together with his or her finger print, from every federal government employee or applicant for government employment; and for further investigation by the F.B.I. of doubtful persons. Each employee "is required as a condition to employment to state under oath that he is not a member of an organization that advocates the overthrow of the government of the United States by force or violence." Information gathered will be sent to the appropriate government agency loyalty board and, if doubt persists, the employee or applicant will be faced with certain charges or questions. Hearings, which shall be private, will be granted if desired, with the assistance of attorney and witnesses. Further appeal of unfavorable decisions to the agency head and finally to the Loyalty Review Board is provided. Secrecy and privacy are to be maintained throughout.

The machinery thus set up has been the object of much criticism. It is claimed that the requirement to furnish the personal information requested is repugnant to the First Amendment to the Constitution. The fact that, while the report of the F.B.I. is not binding on loyalty boards or agency heads, the employee or applicant will have no access to it or to its contents, and no opportunity to confront and cross examine witnesses has been pointed to as involving another violation of the Bill of Rights. The answer of the government is, first, that here as elsewhere individual rights must be conditioned by preponderant public need—that the disclosing of the sources of pertinent information in the possession of the F.B.I. might be prejudicial if not dangerous to the public good; and, secondly, that the loyalty hearings are not judicial trials and, therefore, not subject to the specific procedural guarantees of the constitution. It is further maintained that the actual procedures to be followed allow to the employee every benefit of doubt possible under the circumstances, and that the only disability imposed under these proceedings is dismissal from office or failure to appoint, neither of which is comparable to punishment inflicted for crime. It is claimed that the government, like other employers is entitled to fix the qualifications of its employees, and that loyalty is the *sine qua non* for the holding of government office. Any mature judgment on the actual working out of these arrangements must await a longer period of trial.

The problem of loyalty is rendered especially difficult in the United States at present by the fact that this problem encompasses not only the question of the advocacy of force against the government of the United States. Because of the ideological implications of the present political situation, as well as of the

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nature of world Communist organization under the Communist Party of the U.S.S.R., there is also involved the question of possible loyalty to another state. Arthur M. Schlesinger, Jr., pointed out in *Life,* July 29, 1946, that "the Canadian communists in the Gouzenka spy case stated under oath that they had a loyalty which took precedence over their own country." He thinks also that any logical American communist is "obligated to regard the interests of Soviet Russia . . . . as his highest loyalty." Mr. Schlesinger believes, however, that if faced with the question put in this way many American communists would balk at taking the logical position.

Mr. W. Z. Foster's answer to the question concerning loyalty among the 23 questions presented to him by the representatives of the *New York Herald Tribune* was revealing if equivocal. Mr. Foster said: "We [communists] stand second to none in our loyalty to the American people, and it is in the supreme national interest that we fight for our immediate economic and political demands for U.S.A.—U.S.S.R. collaboration for world peace and for our ultimate goal of socialism. . . . We consider it to be our highest patriotic duty to fight against . . . . [the] barbaric system [of capitalism] . . . . and to strive for a social system worthy of a civilized nation—namely Socialism."

So long as the world is organized—or disorganized—on the basis of "independent sovereign" states, each of which must rely on itself alone for defense against enemies within and without, the question of loyalty within the borders of a given state, and especially of the loyalty of those within its governmental personnel, must remain a matter of prime importance. "[Of] the primary and essential right of self preservation," said Story, ". . . . so long as human governments endure they cannot be denied." And it may be added that if and when a world state emerges, though the problem may be somewhat simplified, the loyalty of its subjects will be no less imperative. The primary interest of self defense, moreover, can by its very nature not be cognizant of, and can make no concession to what is claimed to be under certain circumstances an ultimate moral right of revolution. And revolution in its turn can be undertaken only outside of and in spite of an existing constitutional and legal system. These two facts are frequently overlooked, with resulting confusion.

In closing, one may perhaps suggest that at this moment of history, under the impact of the dynamics of Russian Communism and of Russian expansion, the application of the clear-and-present-danger doctrine would serve to render justifiable many of the activities of government which would otherwise appear repugnant to individual constitutional rights. To say this is not to deny that government must be constantly on the alert against abuses in this most difficult and delicate area. Nor is to say this to minimize the importance of eliminating misery and poverty which are among the most fertile breeding grounds for communist ideology. At the present moment, however, efforts in this direction alone are not enough.

It is suggested also that while democracy must continually strive to give the maximum consideration possible under existing circumstances to preserving individual rights, there is a fundamental distinction to be drawn between temporary and emergency restrictions on the individual reluctantly imposed in order to defend against those who would destroy it, a democratic system dedicated to the development of the intellectual and moral capabilities of man, and restrictions which are, as under Russian Communism, altogether in harmony with the concept of man inherent in the ideological system under which they are imposed.

The old narrow roads where two cars could barely pass without colliding are happily being replaced by splendid wide highways on which six or eight cars can collide at the same time.

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STOP MILITARY USURPATION!

By MAX KNEPPER

Author and Journalist

Searchlight on the military in government

WITH the attempted appointment of still another general to the civilian post of Chairman of the Civil Aeronautics Board, it has been made clear that the traditional ban on military officers in policy-making governmental positions is in jeopardy. Already the list of such general officers, exclusive of the militarized Department of State, is well in excess of a dozen. Those of lesser rank who have followed their superiors into the various federal bureaus number several times as many.

Congress, in order to give legal force to the traditional limitation on presidential tenure, has submitted to the states a constitutional amendment which, if ratified, will restrict a president to two terms. No less traditional, certainly, is the policy excluding Army and Navy officers from positions in the government other than those of their military duties. The safeguarding of democracy makes such legislation imperative and would justify it even if military officers proved to be more efficient administrators than civilians, something which emphatically is not the case. If there is such a thing as "The American Way of Life," it is our system of political democracy of which civilian supremacy in government is the cornerstone. Any encroachment on this principle by the military is an attack on the American system as subversive as any from the extreme left—and at the moment much more threatening.

That such an invasion has already occurred is apparent from a quick look at the record. Most authorities agree that State is the most important department in the civilian establishment. Under the secretaryship of General Marshall, this department has become almost as militarized as the Department of National Defense. In addition to Marshall the following brass occupies top posts in the State Department as indicated:

General Charles Saltzman—assistant secretary in charge of occupied countries.

General J. K. Crane—in the same office.

General Conrad E. Snow—legal adviser.

General Marshall Carter—appointment secretary.

Colonel Ernest Gross—legal adviser.

Colonel Carl Hummelsine—member Marshall's secretariat.

Colonel W. W. Chapman, Jr.—office of administration.

Colonel S. R. O'Rear—same as above.

Major Floyd W. McCoy—chief of division, personnel department.

Colonel Dean Rusk—director, office United Nations Affairs.

Colonel William A. Eddy—special assistant for research and intelligence.

General Thomas Holcomb (U.S.M.C.)—Minister to South Africa.

Admiral Alan Kirk—Ambassador to Belgium.

General Walter B. Smith—Ambassador to Russia.

General Frank Hines—Ambassador to Panama.

Unfortunately, these are not the only offices in the civilian establishment now occupied by brass hats. The following rounds out the picture:

Major General Carl H. Gray—Administrator of Veterans Affairs.

Major General Lewis B. Hershey—Director, Office Selective Service.

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Major General Clyde L. Hyssong—Foreign Liquidation Commission.

Major General Donald H. Connally—Foreign Liquidation Commission.

Major General Phillip E. Brown—Foreign Liquidation Commission.

Major General Norman D. Cota—War Assets Administration.

Brigadier General James A. Mollison—War Assets Administration.

Brigadier General Isaac Spalding—War Assets Administration.

Brigadier General James McCormack, Jr.—Atomic Energy Commission.

Brigadier General John N. Greely—State Department.

Brigadier General Gordon R. Young—Engineer Commissioner for District of Columbia.

Lieutenant General Albert C. Wedemeyer—special Ambassador to China.

Major General William H. Draper—Undersecretary of War.

As each of these general officers has brought with him several or more subordinate brass as aides and assistants, the agency which he heads invariably takes on a strong military flavor.

There are those who believe that the military are more efficient administrators than civilians, a premise as false as it is malignant. But even if the premise were true, it would not justify nullification of a vital principle of government, for democracy as a way of life is a far greater consideration than efficiency. The stock argument for dictatorship has always been its alleged efficiency, summed up in the freedom of the executive to act without let or hindrance from any controlling authority, and in the end the dictator's subjects have always paid for such efficiency with their liberties, wealth, and lives.

Let us face the fact boldly—American military officers are trained in an authoritarian philosophy and behaviorism more akin to fascism or autocracy than to democracy. When former Secretary of War, Robert Patterson, writing in *The New York Times Magazine* for June 29, 1947, stated, "I have never come in contact with the so-called 'military mind'," he was either indulging in a bit of sophistry or betraying a remarkable obtuseness. Any GI can define the military mind for him and explain its difference from the civilian.

Apart from an entirely different set of values, the military officer varies from the civilian in his attitude toward authority, his regard for initiative and freedom, and his conception of individual rights and integrity. It is precisely these differences which render the military man unfit for any executive office in government.

The greatest virtue in a military person is unquestioning and absolute obedience to higher authority. In democratic civilian society, however, such obedience is not a virtue at all. Indeed, the citizen who blindly accepts the dictums and acts of his elected officials is considered a slovenly constituent ultimately responsible for corruption in politics. In military society the circulation of petitions against a commanding officer by his subordinates would be considered mutiny. In civilian society petitions for redress of wrongs is a basic right the exercise of which is a citizen's duty. When a group of voters unite to recall a mayor or other public official, this is not treason but evidence of alert, active citizenship.

In civilian society dissenters must obey the laws, of course, but they are free to agitate for modification or abolition of any statute, and frequently today's minority becomes tomorrow's political majority. But in the Army and Navy this is not so. Changes must come from above, from higher authority, as an act of grace rather than a response to the wish of a majority.

The two systems are so diametrically opposed in basic philosophy and action that reconciliation is impossible. It is as absurd to expect an army officer who has attained the rank of general to throw off years of authoritarian behavior as it is to hope that a generation of Nazis will abruptly reverse its social pattern and manifest democratic traits which it has never experienced or comprehended.

Translated to the field of government service, what does this involve? It involves a military approach to civilian administration. It involves a department head in the person of a general trying to work with people whom he cannot court-martial when they disagree with him. It involves a man attempting to accommo-

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date himself to a give-and-take society in which rank does not spell right as it does in the Army and Navy.

A civilian administrator, being familiar with the society in which he plays a governing part, understands the force of public opinion, of the necessity for getting along with people. If he holds a policy-making office, his decisions are not based primarily on the "chain of command," but on his final analysis of the various opinions presented to him by subordinates, equals, and voices representing sections of public opinion. The military administrator cannot do this unless he violates a lifetime's training and principles—something few can or will do.

It is not accidental that even in their social lives Army and Navy officers live in a world of their own where rank has its privileges and where everything is determined by rigid tradition or decree. They cannot thrive in the give-and-take civilian society inhabited by most Americans because their way of life is so essentially different.

But administration in civilian government is part of the give-and-take civilian society which created it. A congressman's influence, a labor union's protest, a businessman's lobby, a press editorial, a manifesto from the clergy —all these have a bearing on administration just as they do on legislation. They are forces which ultimately determine whether a law will stand. But how can an inflexible military mind, accustomed only to obeying or giving orders, possibly adapt himself to considering such pressures and evaluating their worth?

Another very great and present fault with military appointees to civil posts in the federal government is the wedge it gives the War Department in interfering with other branches. During the recent conflict the War and Navy Departments greatly enhanced their prestige and power, not only in their own fields, but everywhere else. While this was to be expected, it was also anticipated that their authority would diminish with the cessation of hostilities. Instead, the military has actually increased its influence, now completely dominating the State Department and exercising influence in at least half a dozen other agencies.

It is inconceivable that a military officer, occupying a post of authority in a civil department, would ignore or repulse advice from his superiors in the War Department where eventually he would have to return. The habit of obedience to higher authority is too deeply inculcated in military people, particularly those of higher rank who have attained their grades by observance of this basic rule, to be disregarded merely because of a temporary transfer to a civilian post.

Throughout the history of the Republic this fact has been recognized by most congresses who have jealously guarded against usurpation of authority by the military, even to the extent of confirming only civilians as secretaries of the War and Navy Departments. During the last war, unfortunately, both secretaries abdicated their authority to the generals and admirals who, behind the façade of civilian control, actually ran their departments. This was a deplorable development because it gave the military a taste for policy-making powers which they have now greatly expanded.

That this is no exaggeration is confirmed in the statement of a military man himself, Brigadier General Merritt A. Edson. The General, in resigning from the Marine Corps, explained his action in these words: "I am a military man and proud of it. But when we reach the point where the military are directing, instead of supporting, our country's policies, we are far along the road to losing what this country has always stood for. It was because of this trend of events that I finally reached the very difficult decision to resign from the Marines and return to Vermont."

Heartening indeed to those who believe in civilian supremacy was the Senate's rejection of General Lawrence Kuter as Chairman of the Civil Aeronautics Board. But such action should not depend on chance. By statutory order Congress should prohibit any active-service officer from holding a civil government post. If his talents are so unique that they cannot be duplicated among the 139,000,000 civilians, he should resign his commission and sever all connections with the military establishment before his appointment to civilian office is confirmed. Considering the privileges and allowances of general officers, there would be few takers on these terms.

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It should be an easy matter to disabuse any civilian of the notion that the military can provide superior administrators, regardless of ideology. Examples of waste, misrule, and inefficient administration by military officials could be cited almost ad infinitum. However, such an unabridged list would hardly be practicable in a magazine article and we shall have to be content with some typical instances which should establish a fair pattern.

ARMY ADMINISTRATORS

Excluding the Harding regime, perhaps, the most dishonest and inefficient administration in American history was that of General U. S. Grant, a military figure as popular in his day as Eisenhower is in this. Although Grant was a capable general, he was unable to cope with the problems of a civilian chief executive. While he left office a poor man, and it is generally conceded that he was personally honest, several of his cabinet officers and many lesser officials were able to sell much of their country's resources to special interest groups. This historical case of a general in the presidency has been injected here to refute the too commonly held view that a forthright military man can be relied upon to see through the chicanery of dishonest politicians, purge the governmental machine of graft, and to make decisions without regard to political pressures.

What can be expected from the military may be seen in the Canol (Canadian oil pipe and refinery) project, which resulted in a $134,000,000 loss of public funds without contributing one atom of energy toward winning the war. This ill-fated scheme was inaugurated by Lieutenant General Somervell on no more authority than a one-page memorandum from an obscure engineer. The idea was to insure adequate petroleum supplies to Alaska to prosecute the Pacific War, but, as one authority told Congress, there were sufficient tankers on United States rivers in 1943 to transport ten times the volume of oil that this pipeline could carry if and when completed. The Truman War Investigating Committee (Senate) tried to get to the bottom of the fiasco, but the Joint Chiefs of Staff declined to turn over their confidential file on Canol on the grounds of military secrecy. Finally, however, in face of mounting criticism, the War Department was forced to drop the impracticable venture, and, subsequently, General Somervell admitted that he had known from the start it would never be completed for World War II. From first to last the project was a baby of the military, having been opposed by Interior Secretary Ickes and other high civilian officials. So much for the military's planning efficiency.

Congressional investigation disclosed the fact that the Navy in 1945 entered into a contract with the Arabian-American Oil Company under which the Navy paid 3c more per gallon for gasoline, 40c more per barrel for fuel oil, and 75c more per barrel for diesel oil than the company had asked for its products a few months earlier. Whether this was the result of criminal collusion or merely bad judgment on the Navy's part has never come to light, but in either case it speaks volumes for military purchasing efficiency. Anyone not averse to disillusionment should read Congressman Engle's (Republican, Michigan) report on Army-Navy inefficiency. It is guaranteed to increase the taxpayer's intelligence, but might very likely decrease his morale.

Another shade of military administration can be seen in the W.P.A. organization in Southern California during 1937-38. Exasperated by the continual bickering of Democratic political factions in this area, Harry Hopkins appointed Colonel Donald H. Connolly as Administrator on the theory that management by army personnel would eliminate factional politics. Again military magic failed. There was continual dissension among the clients, sit-down strikes on various projects were almost weekly occurrences, delayed checks and incompetent foremen incited a delegation of W.P.A. workers to make a pilgrimage to Washington to complain to Hopkins personally, and politics both inside and out of the W.P.A. continued to boil and erupt. Connolly was succeeded by a capable civilian politician under whose regime most of the turmoil and antagonisms were eliminated.

At the same time Colonel Connolly was "commanding" the W.P.A., Colonel Wyman was "field marshalling" the local P.W.A. This agency was supposed to be much superior to the W.P.A. in both the type of projects un-

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dertaken and the efficiency with which they were carried out. However, an investigation of certain projects in Los Angeles County indicated that the degree of efficiency left a substantial margin for improvement.

One instance involved a tool shed built on a site remote from the project to be served. This occurred because one worker had left his tool box on a certain spot and the others accommodatingly built the shed around the box. This same agency had among its projects the paving of several arroyos as a flood control measure. Because of failure to reinforce the concrete with iron, the cement would not bond on the banks and the work had to be done over. Here, then, in both W.P.A. and P.W.A. we have examples of military organizational efficiency.

Naval administration of the Pacific islands is under sharp attack in Congress as a result of a recent investigation of its government of the various mandated or occupied islands. The report shows how the Navy has needlessly disrupted and in some cases ruined the economy of the natives. Imposition of a 20 per cent ad valorem tax on some islands, wage fixing for native labor, and other economic measures have caused extreme hardship. By seizing the best land on many islands for military installations in many cases without the semblance of justification, the Navy has destroyed the self-sufficiency of local populations who, as a result, have to be supported by the United States taxpayers.

During most of its existence the War Assets Administration has been under military direction. While under the rule of Major General Robert M. Littlejohn, this agency bogged down completely. Sales were improperly conducted, the goods did not reach those for whom the Surplus Property Act had been designed, and the general delay in placing these surpluses on the market contributed to inflation. The record is summed up in the report of the Senate Small Business Committee, which condemned the W.A.A. in these words: "It is clear that W.A.A. has not lived up to the objectives or the spirit of the Surplus Property Act, to the programs set forth in some of the reports to Congress by the Surplus Property Board, or to its own regulations dealing with the safeguarding of small and independent business."

The Veterans' Administration ranks next to the military establishment in size and expenditures. Its inefficiency under the regime of General Bradley is a byword among veterans. It is too early to appraise the work of General Carl Gray, his successor, but there is some consolation to be drawn from the fact it could scarcely be worse.

In the past it has required months, sometimes years, to effect death payments to beneficiaries of National Service Life Insurance policies, compared with the quick action of private companies. Premium payments were frequently lost or misallocated, in which event the burden of proof was on the veteran. His account may not have been audited for two years back and unless he could establish record of all payments he simply had to make good the loss. Although the law provides for loans against certain types of N.S.L.I. policies, the provision was practically useless to veterans requiring immediate cash, since the red-tape and clerical delay necessitated from two to four months to effect a loan. A dividend has long been promised policy-holders from the surplus accumulated during the war, but, though almost three years have passed, the V.A. has not been able to accomplish the necessary bookkeeping and paper work. Some very large private companies, however, seem to have no trouble computing and paying their dividends annually.

Interruption of pensions through loss of records or improperly addressed examination notices has occurred far too frequently. When this happens, the veteran is deprived of his pension until the error can be rectified and a new examination scheduled, requiring from four to six months.

So, whether in Naval government on Pacific islands, in the War Assets Administration, or in the Veterans Administration, the score for military administrative efficiency is low. There is really only one place for a military officer and that is in military service. Elsewhere he is at best a nuisance and a failure and, at worse, a menace.

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An opinion of the public opinion polls

"ASK ME NO QUESTIONS . . . ."

By ROBERT V. ROSENTHAL

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THE public opinion polls have the answers —at least many people are convinced they have. Officials in high policy making positions are said to watch the opinion polls as a follower of the races watches the racing forms and makes decisions accordingly. The right, the wrong, the yes, and the no on important controversial questions are looked for in the poll results in the morning paper or the monthly magazine. If the polls indicate that the so-called "public" favors labor legislation, then when Congress passes a restrictive labor law, the democratic will is being expressed. And when the polls point out that union members are in favor of the provisions of the Taft-Hartley Act, although opposed to the idea of a labor law, then there is further evidence that democracy has triumphed. The answers are as simple as that.

The basis for the ready acceptance of the poll results is understandable. In a democracy, it is held, the majority will of the people should be the guiding force. The implication is that if an election were to be held on the specific issues polled the results would be almost identical.

Unfortunately, the problem is by no means so simple. While the polls have merit, their performances so far do not lead to the sweeping conclusion that their results are synonymous with the democratic will. In fact, in the light of their use as a propaganda device against unions and union activity, their merits and omissions should be frankly discussed.

Public opinion polling, it is true, has come a long way since the *Literary Digest* so jubilantly announced in 1936 (of all years), that Landon would defeat Roosevelt. Today's polls have perfected much more accurate techniques of sampling and analysis. Much as a physician is able to determine the state of the blood stream of a patient by analyzing a drop of blood, the poll-taker is theoretically able to determine from a representative sample of a few thousand people the so-called "public mind." The mathematical basis for such assumptions are highly complex and are understood only by trained statisticians. Most people who accept the polls take the mathematics for granted.

The basic problem can be stated simply. Whereas the physician in sampling the blood stream from a drop of blood is dealing with physical matter, the poll-taker is constantly dealing with words, symbols, personalities, and emotions, all related to a particular time and a particular place. The mathematical techniques which are the foundation upon which the polls rest are not automatic and must be applied and interpreted. Thus even the scientific basis upon which the polls rest are by no means fool-proof. And the social forces within which the polling must operate, of course, are even less so.

For example, a recent study made by the Opinion Research Corporation purported to show that union members favored the provisions of the Taft-Hartley Act, but not the Act itself. Of paramount importance would be how the polling agency defined "union members." How were the members who were questioned distributed among the various unions within the A.F.L., the C.I.O., and independent unions? Of equal importance would be the age groups and the length of membership of the union members questioned. The

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poll's definition of "union member" would, of course, have important bearing on the conclusions reached. Statistically such a definition cannot be easily computed. In fact, few statistics are available as to length of union membership, and age groups within unions. Total union membership figures themselves are for the most part rough estimates.

Even assuming that the polls are conducted under the most favorable conditions, Dr. Gallup, for example, has pointed out that errors as high as four per cent upward or downward are likely. The full significance of this admission can be appreciated when it is realized that in a close presidential election, a shift of only one per cent in certain key states can mean the difference between winning and losing a state and a small or overwhelming electoral college vote.

There are some who would go as far as to dismiss the whole matter by pointing out that even if the polls do a perfect job of measuring the so-called "public-will" on the issues in question, there would still be no assurance that the majority was right or wrong, or even in a position to know what was best for its own interests. Opinions can be radically changed by a fuller discussion of the issues or even by a good night's sleep. As was shown time and time again by that master of public opinion, Franklin D. Roosevelt, effective leadership ofttimes created rather than followed so-called "public opinion."

The deficiencies of the polls are an old story to students in the field. Practically every issue of the scientific journals has some discussion on the problems connected with polling. And to the credit of the polling agencies, it should be noted that they are keenly aware of the limitations of their techniques and are constantly striving to improve them. This is not the issue at question. The point is that outside of the selected circle of critics, the polls are taken for granted by the majority of people. They have become substitutes for courses of action and, as in the case of labor legislation, an apology for policy. Undoubtedly, in some cases, the results of the polls were a deciding factor in the way Representatives and Senators voted on the Taft-Hartley Bill and other important measures.

An important source of error is the interviewing technique used by all major polling agencies. The data from which the conclusions are based are obtained by personally conducted interviews by trained interviewers from a group of people representatively selected as to section of the country, size of the community, socio-economic status, sex, and age. The selection of the respondents, other than the type desired, is left in large part to the discretion of the interviewer. In actual practice this means that the interviewer does not randomly select people to fill up his quotas. He characteristically tends to select the more articulate, better-informed people who can answer his questions and with whom he finds it easier to establish rapport. In the case of woman interviewers, they tend to obtain too few interviews on the other side of the tracks where the foreign-speaking groups live and where there may be tough districts and dark alleys. This is not merely plausible theory, but has been demonstrated by several well-known experiments. For example, studies of the type of people selected by interviewers reveal a decided educational bias. It was found when questions about the level of education were included on ballots, the percentage of college graduates is much greater than, and sometimes double, that of the United States Census figures.

In addition, experiments have indicated that interviewers tend to select people like themselves. Consequently, since the interviewing staffs of the polling organizations consist dominantly of middle-class housewives and white collar workers with a better-than-average education, the poorer and less-well educated tend to be under-represented. This is said to account in part for the consistent under-estimating of the Roosevelt vote characteristic since 1936 in all the polls. In the same sense, it may also tend to overestimate conservative points of view on controversial issues.

Among the other factors which play a part in distorting the accuracy of results are the honesty of the interviewer and the respondent, and the detached objectivity with which the analysis and interpretation is made, but these sources of error, like that of the interviewing bias, are all technical problems which time, experience, and careful supervision can reduce

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to a minimum. Of more importance is a feature inherent in the polling technique itself which cannot be so easily controlled: the questionnaire method. Since the polling must be in terms of language, there is the constant problem of posing the questions to mean just what they are intended to mean and no more. It is well-known that the same words do not mean the same things to all people. Thus there is always the uncertainty as to whether the polls are measuring what they purport to measure. And, as every lawyer knows, the way the question is worded may be an important factor in suggesting responses in a certain direction.

This serious problem of the posing of the question has not been ignored by the pollsters and is one to which the poll experts have been very sensitive and have taken great pains to improve. Thus it is all the more revealing that Professor Arthur Kornhauser came to the conclusion, after a detailed study of all poll material dealing with labor in the published reports of the leading polling agencies from 1940 to 1945, that the majority of the questions had an anti-labor bias.[1] For the most part the questions concentrated heavily on the negative and vulnerable aspects of organized labor. Usually they were concerned with what is wrong with unions. What restrictive measures are required? What does the public think about war-time strikes, make work rules, undemocratic union practices? The Gallup poll, for example, phrased approximately 75 per cent of its questions in a manner which Kornhauser considered negative to labor.

A typical question was one in which the person being interviewed was offered a choice between a recognized evil—such as strikes in key industries or make-work practices—and one particular proposed remedy—usually "a law." A leading example used repeatedly by Dr. Gallup's organization during the war was this question: "Should Congress pass a law forbidding strikes in war industries until the war is over, or should the workers in war industries continue to have the right to go on strike?"

Another frequent type of bias inherent in the questionnaire method is the use of slanted or suggestive phraseology, or wording that makes it especially easy for the respondent to accept the idea asked about. A good example is the question: "Would you like to see labor unions change their way of handling things?" In such a question there is a strong implication that an affirmative reply is expected.

POLITICAL PREDICTIONS

On questions concerning labor, politics, and international relations many people vote in terms of general attitudes rather than the specific issues involved. Get-tough-with-Russia, the Open Shop, Soak-the-Rich, seem like desirable solutions to many housewives, farmers, and other average Americans who are thinking in terms of the general problems rather than what the specific issues under question entail. Then again, many people express themselves on issues with which they are only vaguely familiar.

The acid test of the polls, of course, takes place at every presidential election when the results of the poll surveys can be verified at the election booths. Although it has been said that the "chief function of the polls is not to predict elections, but to measure the will of the people on public issues—to sound out their mandate on the questions which can never be settled at elections," it is the supposed accuracy of the predictions made on the presidential elections that the prestige of the polls rest. The commonly accepted view is that the polls have been highly accurate and trustworthy in predicting presidential elections. The actual performances do not bear this out.

The 1944 election is chosen because it is the most recent and had the benefit of the improved techniques. Judged in retrospect the polls were remarkably accurate. The Roper poll had an over-all error of less than one per cent and the Gallup poll was only a little over one per cent off. With a knowledge of the actual results in 1944 a remarkable statistical case could be built up for the accuracy of these two major polls. However, if Dewey had won by anything less than an overwhelming margin, an equally effective statistical case could be argued. As a matter of fact the polls were not prophets but oracles—and like the oracle of

1 "Are Public Opinion Polls Fair to Organized Labor?", *Public Opinion Quarterly*, Winter, 1946-47.

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Delphi—would have been right in either case.

The Roper poll headlined its *Fortune* Survey in November, 1944, as follows:

> Roosevelt goes into the final stretch with a majority of 53.1 per cent among civilian voters, but his margin is unstable. Herewith is a lap-by-lap, group-by-group, issue by issue analysis of the political choices, with several possibilities of an upset noted.

The text then went on to note:

> . . . . no public-opinion survey, however accurate, gives a wholly reliable base for prediction, especially under present cricumstances. A public opinion survey reports people's feelings at the time they are interviewed. . . . To carry its measurements as close as possible to the election, FORTUNE will release to the press two more figures: the first, from interviews made in mid-October, will reach the papers at about the same time that this article reaches FORTUNE subscribers; the second, from interviews made the week before election day, will be out the day before election. Normally, there would be little chance that opinions would shift much after the last interviewing. But this year the nation is from day to day liable to be confronted with events of the sort that *do* shift opinion.

Although Dr. Roper did revise his over-all figure upward and indicated a probable Roosevelt victory in his announcement before election day, he by no means eliminated the possibility of Dewey's winning.

The Gallup poll in 1944 made its presidential prediction with even less assurance. In its final report published the day before election, the Gallup poll showed Roosevelt receiving 51.5 per cent of the votes. However, in drawing conclusions from the facts, political analysts were cautioned that the soldier vote was not sampled and that a margin of error of 3 to 4 per cent was inherent in all polls. Regarding Dewey's chances Gallup wrote:

> Dewey's followers will scan the state-by-state survey to confirm their hope for a political upset this year. They will be heartened by the fact that there are more populous States near the 50-50 line than in any of the three previous elections in which Roosevelt was a presidential candidate. If the upward trend of the Republican Party strength, revealed in State and Congressional elections the last year continues, all the close states will likely fall into the Dewey column. Moreover, the poll has found all during the present campaign that people planning to vote for Dewey show a much greater intensity of feeling about this election than Roosevelt voters, and say they are more certain to vote.

In other words, regardless of who had won, Gallup could have claimed foresight.

The intent is not to criticize the polls for being cautious. Indeed, with any knowledge of the deficiencies of opinion polling, the polling agencies would have been foolhardy to have been otherwise. The point is that if on presidential polling in which the issues are fairly clean-cut and with which so much pain and care are taken, the polling agencies themselves are not certain, how much weight should be given to polls which claim to indicate public opinion on controversial issues which are not immediately verified?

The suggestion has been made that labor unions and other groups which feel that they have been unfairly treated should set up their own polling agencies, a polling agency for the liberals and progressives so to speak. Except from the standpoint of economy or propaganda there would be little to recommend such a course. A polling agency dedicated to a particular philosophy or founded in protest would be even more likely to be subject to biases and distortions of opinions than the present polls.

A better suggestion would be for interested groups to keep a constant vigilance on the operation of the polls. The techniques used and the interpretations made should constantly be studied and analyzed. Especially should this be the case with material which deals with labor and labor unions.

Organizations such as unions might even use the polling agencies to obtain information for their organizing and public relations campaigns. The opinion polls at least show trends in opinion. On issues which are not highly controversial the poll results could be used as a basis for policy. At the same time, by becoming clients of the polling agencies, the viewpoints of labor and similar groups would probably be given more respect in the handling of more controversial national and international issues.

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A report on the ecumenical movement

CHURCH UNION NOW?

By ED RITTER
Author and Journalist

NEW stirrings within Protestantism are reviving an old question: Can Protestants resolve the conflict between the desire for unification and the tradition of "every man for himself and God for us all?"

Evangelist-Author E. Stanley Jones has recently completed a whirlwind "Crusade for a United Church of America." In 30 days, large audiences in virtually every major city in the United States heard his ringing pronouncement that "the hour of union has struck" and pondered his question: "will the church lead the movement or be dragged by events?" His sponsoring committee includes Herbert Hoover, Lowell Thomas, and J. C. Penney.

The Federal Council of Churches of Christ in America has communicated to all its members the Congregational-Christian Churches' plea for a conference to explore possibilities of union. Authored in "holy impatience" last year at the Congregational-Christian Grinnell General Conference, the proposal is addressed to all American denominations which accord one another mutual recognition of ministries and sacraments. Six denominations have already expressed approval.

Christian Century's advocacy of organic union has become a hard-hitting editorial crusade for "church union in ten years." Declares a recent editorial: "By 1957 or 1960 the church will have decided by its action or lack of action on unity whether it will effectively challenge the titanic forces of evil and destruction which are rising in Western society or will go down before them in defeat."

Within and without the church now comes a mounting realization that the world is on fire—that war, racism, statism, and preventable poverty sharply challenge organized religion to relate Christian principles to this world and show man how to save himself from suicide. In the atomic age, church controversies about methods of baptism and modes of conducting Communion services are more and more suggestive of Nero's fiddling.

A new urgency runs through the pronouncements of Protestantism's foremost spokesmen.

Declares Harry Emerson Fosdick: "The denominational system is obsolete. Our divisional lines have no more relevance to the real problems . . . . of the world than do the boundaries of ancient Indian tribes have to the United Nations."

"The necessity of organic unity is imperative," writes Episcopal Bishop Henry Knox Sherrill.

"Has our individualism brought us to the dreadful pass that God must bring summary judgment upon a second chosen people . . . . ?" asks Washington Cathedral's Theodore Wedell.

"Obviously," declares layman Henry Luce, "a church able to cope with history on the present scale and scope of history must be a united church."

Methodism's Bishop Oxnam made "A Reunited Protestantism" the theme of his recent conference address in New York.

From the grassroots, too, come mutterings against certain aspects of our denominational system that appear to defy common prudence. Writes a resident of a Southern Indiana town of 1,200 population, "We have seven churches here and not one congregation can *support* a church." In the California city of 10,000 in which this is written are 25 different churches.

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In areas of great need, there is palpable waste of church money and energy through overlapping agencies. There are dangerous competitive activities, ill will, loss of face outside Protestantism and loss of power within.

Questions are being raised as to whether Protestantism's 256 divisions in the United States reflect genuine, living distinctions or merely the ghosts of stale, theological bickerings.

A California Methodist minister concedes: "I think the day has come when the Methodists, Congregationalists, Episcopalians, the Christian Church (liberal wing), the Northern Baptists, and a number of others have ceased to represent basic differences."

High school students, filling out religious census cards in connection with their September school enrollment, often manifested the vagueness of their Protestant preference by declaring themselves "Medist," "Presipertertian," and "Babbtist." Laymen moving from one locality to another discover that the uniqueness they were ascribing to their denominations were imaginery. A Methodist family which moved from the East Coast to California found difficulty in feeling "at home" in their new Methodist affiliation. They then tried the Episcopal Church and found it "just like our church back home."

The real cleavage among Protestants is that which, in almost every congregation, divides "liberals" from "fundamentalists." The Reverend Iddings Bell, in an *Atlantic Monthly* article, suggests that—if Christians must be divided—the division should be based on this vertical split rather than on the anomalous horizontal ones.

Meanwhile the irony of Christian disunity keeps accumulating what promises to become an established section of the humor anthologies. Samples: "Quiet, now, while we pass this enclosure," said the guide of Heaven to the newcomer, "the members of that denomination in there don't think anyone else is up here." And there's the possibly apocryphal story of the western Kansas town in which a group split from the Church of God and became "The True Church of God." The group that split from it painted above the door of its new church: "The Only True Church of God."

The unification movement is being met by a strong counter-current. Walter Van Kirk, in *A Christian Global Strategy,* even doubts that unity is the dominant trend and points to the growing number of Protestant sects as evidence that "sectarianism is still holding its own." Whereas there were 145 Protestant sects in the United States in 1890, there are now 256.

More optimistic observers answer Van Kirk's figures with others. The mergers of several large sects is a larger fact, they say, than the birth of many numerically insignificant denominations. They point out that 201 of the denominations in 1944 claimed only 2.6 per cent of the total Protestant membership.

Some historical perspective may help us evaluate the relative importance of today's centrifugal and centripetal forces within Protestantism.

The problem of Christian disunity by no means began with the Reformation, of course. Eastern and Western Christendom had split; and, even in his day, St. Paul had found it necessary to admonish the Christians, "I beg of you all to drop these party cries. . . . There must be no cliques among you. You must regain your common temper and attitude."

But the question that today's badly scattered Protestantism asks is: What happened to the Reformation?

Born as the triumph of the individual conscience, Protestantism could have avoided the rocks of sectarianism only through a powerful, positive purpose. Mere opposition to Catholicism was a static dead cause. Formal theology and a preoccupation with *ways* of doing things —baptizing, serving the Lord's Supper—soon accomplished the break-up.

The early disintegration was accomplished with more regret than is now generally supposed. Calvin and Luther were sorely troubled by Protestant division. John Milton, Leibnitz, Ussher, Tillotson, Richard Baxter, John Drury, and Hugo Grotius kept alive the minor theme of unity throughout the bitter sectarian disputes of early Protestantism.

It was in America that the centrifugal force reached its height. The United States was colonized when sectarian feeling in Europe was high, denominations proliferated rapidly here and grew hard shells.

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Count Zinzendorf's unsuccessful efforts to unite German sects in Pennsylvania in 1741 drew some casual support from Ben Franklin, who published the minutes of a Zinzendorf Synod. Zinzendorf's statement of purpose in calling the sects together at Germantown suggests the general temper of the groups toward each other. His purpose, he said, was "to see . . . . whether we could not do away with judging and pronouncing sentence, gossiping, injuring and defaming or to make this so contemptuous in Pennsylvania that every honest person will be ashamed of it, since through it we may make a laughing stock before the world while at the same time an irrecoverable damage arises to the conversion of souls. . . ."

Bitter, cut-throat rivalry among denominations on the frontier finally led to such excesses that the necessity for religious codes of fair competition became apparent. The American Board of Commissioners for Foreign Missions formed a "principle of comity" in 1837.

In specific campaigns against intemperance and slavery, some sporadic interdenominational cooperation was effected. Presbyterians and Congregationalists achieved union for half a century, losing it in 1852.

Presbyterian Alexander Campbell, an outstanding advocate of unification in the nineteenth century, became the victim of one of religious history's familiar grim jokes. Losing sight of Campbell's great purpose of uniting the sects, his zealous followers named themselves "Disciples of Christ" and proceeded to build up their own doctrines until a new denomination was created. Modern Disciples of Christ, however, are recapturing Campbell's dream and—led by such men as Charles Clayton Morrison and Peter Ainslie—have brought power to the unification movement.

At the turn of the century, groundwork for a loose federation of Protestant denominations gave rise to many sanguine hopes of unity. Organized as the Federation of Churches of Christ, the league was the forerunner of our present Federal Council of Churches.

Said the Federation's President Cyrus Northrup in 1903: "The Christian Army will mean something . . . . and when the army of the Lord is in position for the onset, the result will not be in doubt. It will be Waterloo for the Prince of Darkness."

By 1908, the "army" thought itself in position for the onset. Newspapers heralded the Federation's first meeting on December 2, 1908, in Philadelphia as "the morning star of the millennium." Thirty-three denominations were represented.

But, aside from advocating "love of God" and protesting Sabbath work and liquor, the new organization found itself unable to take any position. It decided that Jesus was no social radical, and barred Unitarians and like thinking groups by insisting that the word *divine* precede "Lord and Savior" in the statement of belief required of members. (The exclusion has become a major embarrassment to liberal members of the Council. Recently the Massachusetts Federation of Churches hesitated to invite the Federal Council to hold its annual meeting in the state because Unitarians and Universalists were excluded from the national body. But the motion to invite the Federal Council was made by a Unitarian and seconded by a Universalist.)

Thirty of the original 33 members of the Federation are members of the Federal Council today. Because of mergers, the actual number of denominations now represented is 25. For what it is—a powerless advisory board—the Federal Council has achieved much. It has consistently tried to diminish the wastefulness of the denominational friction and to lead the way toward a Christian position on important social issues. It cannot be depended upon to evolve a United Church. From its hesitancy this year to pass on to its members the Congregational-Christian proposal for closer Protestant unity, it is apparent that even this mild gesture took the full measure of its courage.

The ecumenical movement—the one world, one church idea—is scarcely a generation old. A significant beginning of the idea took tangible form in 1910 when the Protestant Episcopal Church of America appointed a "Commission on a World Conference on Faith and Order." Launched in 1920 at the Geneva Conference, the movement has gone forward through a series of world conferences.

Something of the political and spiritual potential in a growing, vital ecumenical move-

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ment is suggested by the following statement from the delegates of 60 nations at the World Conference of Christian Youth, 1939.

"Our nations are at war with one another; but we know ourselves brethren . . . . our peoples increase in suspicion and fear of one another, but we are learning to trust each other more deeply . . . . our governments build instruments of mutual destruction . . . .; we join in united action for the reconciliation of humanity. . . ."

Ecumenical-minded churchmen have high hopes for the effectiveness of the new World Council of Churches, which will hold its first assembly at Amsterdam next summer. Twenty-three churches have joined the Council during the past six months, bringing its membership to 116 communions in 36 countries. According to Dr. J. Hutchinson Cockburn, World Council official, "the present era will be recorded as one of the most remarkable periods of church history; there has never been . . . . so large a common church endeavor."

The launching of the United Church of South India in October also gives heart to advocates of unification. *Time* called it "the greatest stride so far in the twenty century's growing ecumenical movement." The new church embraces the one million members of the erstwhile Methodist, Anglican, Presbyterian, Congregationalist, and Reformed churches in South India.

These 500 years have been enough to show Protestant leaders that it was sectarianism that shipwrecked the Reformation. But a half a millennium has also been time enough for denominational traditions to grow deep into the subconscious mind of a people.

The problem becomes the serious one of finding a method of union which takes into account two things: the urgency of these days; and the emotional depth of denominational loyalties. In a letter last month, Dr. E. C. Farnham, executive secretary of the Church Federation of Los Angeles, points out that "failure to unite is not due to cussedness nor stubborn independence, but is rather the result of generations of loyalty and of long operation in and through a particular organization which cannot be yielded readily without bringing chaos."

In light of the first consideration, it must be agreed that our concept of church unity must now leap from "interdenominationalism" to organic unity. Our Federal Council of Churches, state, county, and city councils, must be considered forerunners of unity rather than ends.

The clearest concept of the new organic unity is perhaps that set forth by Stanley Jones in his proposed Federal Union. Whereas existing federations are leagues of sovereign denominations, the proposed union would be supreme with each denomination a branch thereof.

The methods now being relied upon are overlapping, but they could be classified as follows: unification through 1) work at the grassroots; 2) efforts of "unifying denominations"; and 3) the crusade for a United Church now.

Stanley Jones's "Association for a United Church of America" employs the first and third methods. Impatient of awaiting action from church officials deeply entrenched in the routines of their various denominational machines, Jones appeals to people in towns and cities throughout the land to join the unity crusade, form committees, and apply pressure on their local church leaders for church unity at home.

The fact that there are now 508 federated churches with 88,411 members in our communities is significant of the grassroots work that has gone forward. After the Methodist and Disciples of Christ Churches in a Kansas town united last year, an incredulous layman commented, "This is remarkable. I always thought the churches in————would unite, but I am surprised that some of the older members didn't have to die first."

Unity through mergers brought about by "uniting denominations" is seen by some as the eventual panacea. They believe it to be the careful wooing process that must precede an over-all organic union. The Congregational-Christian and the Evangelical-Reformed churches—themselves mergers of former denominations—are now negotiating toward union with each other.

Northern and Southern Methodist concluded their Civil War a few years back, but

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there is strong feeling among Southern Methodists that their religion is being de-spiritualized and there is sad discovery among the northerners that the edge is being taken from the denomination's social consciousness.

Southern Presbyterians last year exhibited considerable suspicion concerning a proposed union with Northern Presbyterians. Wrote a delegate from the Southern conference, "The people north of a certain well-known line were pretty generally held up to us as dangerous and not to be associated with except on terms which were entirely of our own choosing."

The Methodist Church has made mild overtures toward the Episcopal Church, and occasional church magazine articles appear discussing the possible reunion of the two bodies. C. Stanley Lowell, in *Christian Century,* makes the guarded prediction that "union is possible between the Methodist and Episcopal Churches within 12 years provided both groups genuinely desire it."

A major reversal to the movement has been the decision of the Episcopal Church to pigeonhole the proposal of union that it had invited the Presbyterians to study.

While encouraging all advances toward union, many advocates of it believe that the above processes as they are now operating will be too slow to save Protestantism. Before the processes' completion, they believe, a divided church's impotence will have caused it to be pushed aside by our rapidly moving course of events.

"There is a growing readiness to make concessions," writes a New York minister, "but unification will not come out of a willingness to make concessions. There is need to make it a *crusade.* If it is successful, then the Reformation might go on with power."

Spear-headed by the *Christian Century* and Stanley Jones, a crusade for Protestant organic unity in ten years is rapidly crystallizing.

History appears to teach that progress toward unity is achieved through social action rather than through theological thought. If America's Protestants believe that Christian principles hold a solution to the ominous threats of racism, statism, and indiscriminate atomic slaughter of human beings—the crusade will be a victorious one. For in these times, they will not be content to speak their truth in 256 weak voices at 256 different times.

It is computed that Americans pay more for government than for food. A Congo tribe got around this by eating the tax collector. —*Buffalo Evening News*

The lady came back to the delicatessen store and addressed the grocery clerk in acid tones:

"Remember that cheese you sold me yesterday?"

"Yes, madam."

"Well, you made a mistake about it. It wasn't imported from Switzerland. It was deported."

A clergyman and a businessman bore identical names and lived in the same city. The clergyman died at the same time that the businessman took a trip to southern California. Upon reaching the coast, the businessman sent his wife a wire informing her of his safe arrival.

Unfortunately the following message was mistakenly delivered to the clergyman's widow: "Arrived safely—heat terrific."

—William H. Russell, *Townsend National Weekly*

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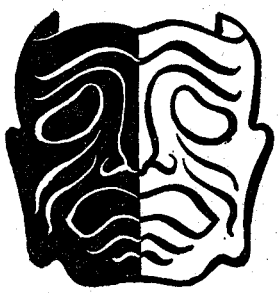
The THEATRE ARTS



by John Gassner

More eventful than is generally realized was the visit of the Dublin Gate Theatre on Broadway during the month of February. A collection of gifted actors under the leadership of the English actor-director, Hilton Edwards, and the Irish actor-designer-playwright, Michael MacLiammoir, the Gate has rolled up an impressive list of 300 productions of new and old plays. What the Abbey Theatre was to the Irish renaissance or Celtic revival of the beginning of the century, the Gate, founded in 1920, proves to be to liberated Eire. A program note sums up the difference between the aims of Ireland's two major theatres aptly: "The Dublin Gate Theatre . . . ., unlike the Abbey which set out to show Ireland to herself and then to the world, set out to show the world to Ireland."

The avowed aim of breaking down Irish insularity has understandably produced fewer discoveries of indigenous playwriting talent than revivals of European and American drama. But the native playwrights sponsored by the Gate may well represent a new and healthy cosmopolitanism in the Irish drama, which was in danger of becoming too restrictively realistic. The stimulus provided by exhibiting continental and American drama in Dublin may usher in a new springtime for Irish dramatists, who will no longer play the role of epigones and walk the treadmill of peasant humor and nationalistic romanticism laid down by the Abbey's founders. Besides, the Abbey has long been in danger of running to seed as a producing company, and it has stuck painfully close to pedestrian realism in the arts of production. When the Abbey first aroused the interest of the English-speaking world, realistic staging had not yet lost its freshness, and the early Abbey acting companies contained actors whose talents and personalities easily transcended the most prosaic staging. But those superb artists are no longer playing in the companies of Ireland's official theatre; time and Hollywood have decimated the ranks.

The advent of the Gate imparted a new dispensation in the theatre arts; the Gate's staging, scenic design, and lighting are modern, imaginative, and ingenious while its acting talent appears to have developed considerably. Hilton Edwards and Michael Mac Liammoir in particular would be a credit to any stage. Following a Canadian tour, the distinguished visitors from Dublin descended upon Broadway with a trio of productions, substantiating the rumors of the past decade that the Gate stood in the vanguard of progressive theatre art.

The first production was Bernard Shaw's rarely revived *John Bull's Other Island,* a purgative play in which the master's humor is considerable, even if it is somewhat esoteric to those who have no particular acquaintance with Ireland. If Shaw's dramaturgy had equalled his wit and perspicacity, even the casual playgoer would have a very high regard for the play. Such is not the case, largely because *John Bull's Other Island* shows G. B. S. arguing on both sides of the fence, and because he has taken few pains to construct a plot rather than an argument. Nonetheless, the delightful Gate production directed by Hilton Edwards is almost continuously exhilarating after Shaw's slow and discursive beginning. A neat reversal, not unfamiliar to Shavians, demonstrates that it is the Englishman, and not the Irishman, who is the incurable romanticist in spite of the Irishman's carefully cultivated romantic pose and protestations.

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But the inveterate Fabian and anti-imperialist loses no opportunity to point out that the English romanticist knows how to convert his sentimentality into pounds sterling. By the time Tom Broadbent has settled in Ireland he has walked off with the district's richest heiress, has got himself nominated for office, has gobbled up all the available land, and is getting set to convert Irish ruins into a modern hotel for tourists.

The Irish are also ribbed for their cantankerousness, their inability to live at peace with one another, and their own brand of sentimentality, which makes them debauch themselves with dreaming and self-pity instead of facing reality. The Irishman cannot be interested in Ireland until you "call the unfortunate island Kathleen ni Hoolihan and pretend she's a little old woman." He "can't be intelligently political." The priest who feeds him miracles or sentimental stories of saints has cathedrals built for him out of the pennies of the poor, while the churchman who teaches him "the sanctity of life and the importance of conduct is sent away."

Nevertheless, Shaw is remarkably kind to his native land; his satire gives way to an affirmation. The last word is said by an unfrocked Irish priest, one of those mystics for whom Shaw the rationalist-mystic has such genuine sympathy, and the word not only deprecates both sides of the Irish-English debate but asserts a positive doctrine, a Shavian rewriting of the gospels that should last as long as the English language itself by virtue of Shaw's idealism as well as style. Father Keegan, who believes like Shaw that every dream is a prophecy and every jest an earnest in the womb of Time, holds that there are but two countries: "heaven and hell; but two conditions of men: salvation and damnation." Standing between the Englishman who is so clever in his foolishness and the Irishman who is so foolish in his cleverness, the priest isn't sure which of them is the more deeply damned. He *is* sure of what heaven is like in his dreams, and heaven is his aspiration: "In my dreams it is a country where the State is the Church, and the Church the people: three in one and one in three. It is a commonwealth in which work is play and play is life: three in one and one in three. It is the temple in which the priest is the worshipper and the worshipper the worshipped: three in one and one in three. It is a godhead in which all life is human and all humanity divine: three in one and one in three."

So once more Shaw is the universalist, and even a tract for Irishman and Englishman in 1904 remains a tract for the world in 1948. Tract or no tract, moreover, the play has moments of exuberant comedy, flashing glimpses of character, and not a little pathos. The mélange is Shavian and there are no better potpourris than those prepared by the latter-day Molière.

If *John Bull's Other Island* proved to be caviar to the general, the Gate's second production, *The Old Lady Says "No"*, by Dennis Johnston, was caviar even to the majority of drama critics. That this expressionistic and symbolic play was somewhat recondite in its references may be conceded, without detracting from its brilliance and imaginativeness. An actor rehearsing a romantic play about Ireland's Robert Emmett is accidentally struck on the head, and the rest of the play is a rueful delirium in which he is the Irish hero in many guises searching for his lost love, Sarah Curran, who is none other symbolically than "the old lady," Kathleen ni Houlihan, or Ireland. The result constitutes a sharp and penetrative contrast between romantic illusion and the real Ireland of the twentieth century.

The play is a protest against Ireland's failure in culture, politics, and economics, expressed in terms somewhat unfamiliar to Americans. Yet the same complaint may be generally leveled at the rest of the globe, and the play may be regarded as an Irish version of Eliot's poem, "The Waste-Land," as it expresses the same disillusionment and sense of defeat. If, in spite of its quality of disenchantment, *The Old Lady Says "No"* is anything but a depressant the reason lies in the rich theatricality of the play; it is written with verve, imagination, and elasticity. The American theatre has not had its like since the days of *Beggar on Horseback, Processional,* and *The Adding Machine*. That was more than two decades ago, and since then inventiveness has lost its buoyancy in a country that actually prides itself on inventiveness.

Least substantial but most popular was the Gate's *Where Stars Walk* by the redoubtable

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Mr. Mac Liammoir himself. Combining romance with irony, the play scores the point that an Ireland that revels in Celtic twilight and makes a cult of legend would not recognize a legendary figure if it materialized in its parlors. It is only right that the ancient Celtic gods should have reincarnated themselves in a servant girl and an handyman; only for the poor people do the gods still retain some reality. But it is the educated classes that articulate Irish mythology in literature and theatre, and it is they who are the butt of Mr. Mac Liammoir's satire. *Where Stars Walk* fuses fantasy and reality, as well as romantic pathos and sardonic comedy, and it is a marvel that these elements are joined so well. The play is hardly a work of major dimensions and falls somewhat short of exhilaration or excitement, perhaps because the spirit of the comedy is softened up by the penumbral element of mythological sadness, and because Mr. MacLiammoir's Ireland is a land of "Inspiration, Frustration, and Intoxication." The comparative popularity of the production was possibly proportionate to its clarity and romantic appeal. Still one could not begrudge the Gate a success with *When Stars Walk* after the insufficient appreciation accorded to its previous efforts. Strict evaluation is something the theatre rarely encounters. Plays and productions are generally either overrated or underrated.

A slight exaggeration of enthusiasm is, of course, hardly harmful in the case of contributions that possess merit. The greatest beneficiary of enthusiasm is *Mister Roberts*, the dramatization of the Thomas Heggen novel by the novelist and Joshua Logan. Collaboration on the text is not the whole extent of the latter's contribution; as the director of the play, Joshua Logan is the real hero of the production, although acknowledgments are due to Jo Mielziner for his nautical settings and to a large cast admirably headed by Henry Fonda, whose talent has not been staled by Hollywood, David Wayne (the erstwhile leprechaun of *Finian's Rainbow*), Robert Keith, and the veteran William Harrigan. A multi-scened production aboard a United States cargo ship in the Pacific, *Mister Roberts* afforded Mr. Logan an opportunity to display the same talent that he expended less worthily on last season's *Happy Birthday*. It is a talent that uses the full orchestra of theatricality instead of playing the one-finger exercises that content the average director. Scene merges into scene, comedy flows into pathos or flares into dramatic intensity, noise subsides to a whisper, rumpus antics and robust farce shade into reserve without a single jarring transition. The effect, moreover, trickles down to the least characterization or episode.

Mister Roberts was written solely for its theatrical possibilities. Since these are so abundantly realized by Mr. Logan, the play is nothing short of a triumph. It is the *What Price Glory?* of the second World War, with some virtues of its own added for good measure. The greatest of these is the memorable characterization of the naval lieutenant who is the center of the drama, the Mr. Roberts who longs to leave the cargo ship and get into active Pacific warfare, whose badgering of his superior officer to this end rocks the boat to its foundations, who wins his heart's desire only because a grateful crew forges the captain's signature to the requisite document, whose death at Okinawa is not more moving than his realization of the spiritual splendor of the companionship of strong brave men from every nationality and from every walk of life. The story of Mr. Roberts and his crew, told with manly austerity and rough but tender humor, is the heart of a play that belongs to the few imperishable qualities of the democratic American spirit.

Don't put too fine a point to your wit for fear it should get blunted. —Miguel de Cervantes

Bank: A place where you can borrow money, if you can present sufficient evidence that you don't need it.

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JASPER R. LEWIS

Books in brief

Of all the recent volumes on Russia, *Russia and the Russians,* by Edward Crankshaw, (Viking, $3.00), deserves a special niche. Here is an effort to show the Russians as they are, or as they see themselves, with the prayer that the reader, English or American, will undestand them better.

Certainly, after reading the book, it is in order to admit that there is something most of the Western world has overlooked. It is simultaneously encouraging and disquieting. Crankshaw, an Englishman, was in Moscow with the British Military Mission during the war. Here, in an objective study of the people, he has contrived to give a picture of the Russians that shows the results of centuries of serfdom and ignorance, and why their outlook is so different from ours.

Sketching the back history of Russia, the author shows a people toughened and made realistic by hardship from nature and sovereign, resulting in "grey masses" of nondescript humans who appear to have little interest in life. The several revolutions are mentioned, but may be skipped here; it is the population to whom we are being introduced. Here we have the glitter and lavishness of the bureaucrats, and on the other hand, the starvation and privation of the masses. Strangely enough, however, the masses do not object. They have been conditioned by the ages to accept the worst life offers, provided it is Russian in spirit. Particularly since the promulgation of communism is this true. Crankshaw goes further; instead of comparing communism to a religion, he specifically names it as a religion, with Marx as founder and Lenin as prophet. Stalin is Lenin's successor as champion of the faith. Unbelievers are heretics. "Communism is to Stalin what Christianity used to be to us. . . . . It is a state of mind. Marxism is no longer a free philosophy but, a closed faith, or dogma."

That fixation, plus the customary Russian discipline or guidance from above, makes the masses so much alike that they think alike and act alike. The people think they have democracy because for them their government works for the best interest of all the people. So they have been told, and they believe it. Also, having been told about Munich, and the British and even American opposition to communism, the people are naturally suspicious of the West, just as the West is of them. We may think them wrong; but there is the fact, just as natural to them as our opinions are to us.

Not that the Russians want peace any less than we do. They want it for the development of their society, which a stupid capitalistic world will later emulate. Without being a Communist, one can see the logic and loyalty in this view. Unfortunately, the West has not seen it; it is contrary to our beliefs in politics and religion. Therefore not only is it wrong, but the heathen should be enlightened. That is one of religion's cardinal principles, and communism being a religion, its followers feel the same urge toward us.

Coupled with a natural acceptance of autocratic government, it is not hard to see that in Russian eyes their form of democracy is as real as ours. That is where we have erred, having failed to understand them. They have no yearning for individualized effort as we have; theirs is the need of the pack. And on all sides (at least until recently), all they could see were enemies. This being so, it becomes simple also to understand why Russia uses the veto in the United Nations—it is one power she has against the World, whereas the capitalists have the atomic bomb. For, according to Crankshaw, the Russians have the great gift of seeing things as they are without blinking. The West, on the other hand, has the comprehension of hope. Everything depends on the ability to weld the two.

Russia feels communism and capitalism must clash, but meanwhile she takes what she can

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without war, so long as we remain strong enough to be a threat. She can wait patiently; that is the nature of the Russians. As for the West, it has its supreme duty, to carry on despite Russian provocation, keeping strong and supporting those governments that are what their people actually want.

Crankshaw does make one distinction between Britain and America. The former, in his opinion, is trying to keep up with the times (presumably because it is flirting with socialism). America, on the other hand, is suffering from the "fantastic development" of "the new dogma of private enterprise and individualism without controls of any kind." This indicates a belief of the author in a form of state socialism.

To sum it up, Russia, potentially the greatest force in the world, must be fitted to our world, or she will fit us to hers. Somehow we must remodel the world, not necessarily to suit the Russians, but certainly to permit us to live with them. For, as has been shown, the Russians are as firm believers in themselves and in their country as we westerns are in ours. We will have to treat them as people. Maybe that thought will help.

SOME OTHER VIEWS

Communism and the Conscience of the West, by Fulton J. Sheen, (Bobbs, Merrill, $2.50), is two things; first it is a blunt and severe criticism of communism and all its works. In that, Monsignor Sheen spares neither the ideology nor its exponents. Secondly, it is a presentation of the orthodox acceptance of religious values in the Christian world, versus communistic views, and an exhortation to greater religious fervor. Monsignor Sheen writes well and with fire on the spiritual plane. On the wordly level, when he writes: "Much of the tension that exists in the economic order today is between the stockholders who do not work and the laborer who does," he is perilously near the edge. He preaches hate for communism and hope for communists, if they can be redeemed; that is, of course, the correct official angle. At this late hour it is rhetorically excellent, but not convincing as a practical solution.

Life is full of surprises. *Soviet Russia Since the War,* by the Very Reverend Dr. Hewlett Johnson, Dean of Canterbury, (Boni & Gaer, $3.00), is based on personal visits and observations through a large part of Russia. There is even an interview with Stalin. What the author writes of the people's trials and hopes, and the plans of the government, is quite in line with the report of others. But after this travelogue, some of which is quite interesting, the Dean summarizes in pharses that definitely sound as if written by an unbeliever in our democracy or our way of life. He tells us: "Russia is interested in the Balkan States as near neighbors, just as we're interested in our (England's) neighbors—France, Belgium, Holland." And Russia is hardly expansionist —some "small parts" and "fragments" have been added. Against this: "Directly or indirectly the United States controls three-quarters of the world and from that direction, at least, charges against the Soviet Union of expansionism or undue influence could meet with justifiable rebound." But the Archbishop's concluding words are priceless: "We must always remember, too, that a planned economy means restrictions that would be irksome to many of us. Russia is willing to sacrifice the lesser liberties for the sake of the higher liberties. Who can blame her for that? It is the whole picture that must be sought ere judgment is based on the details." The Dean of Canterbury does not specify what those "higher liberties" of the Soviet are.

The Russian Idea, by Nicolas Berdyaev, (Macmillan, $2.75), is an exposition of Russian mores as revealed through a discussion of some of her best known writers and thinkers, among them Tolstoy, Dostoevsky, Bakunin, and Belinsky. Against their philosophies are pited those of Hegel and others. In those chapters, there is an interpretation of Russian characteristics and qualities which might be said to show them at their best. It is in Berdyaev's current opinion, however, that the reader finds some sharply focussed thought. To quote just a little: "Russian communism is a distortion of the Russian messianic idea; it proclaims light from the East which is destined to enlighten the bourgeoise darkness of the West. There is in communism its own truth and its own falsehood. Its truth is a social truth, a revelation of the possibility of the brotherhood of man and of peoples, the suppression of classes, whereas its falsehood

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lies in its spiritual foundations which result in a process of dehumanization, in the denial of the worth of the individual man, in the narrowing of human thought, a thing which had already existed in Russian nihilism. . . . Communism must be surmounted but not destroyed." In a few pages Berdyaev sheds much light on the topic, some of it extremely encouraging for western readers if it is a faithful picture of the Russian people.

BRIEFER COMMENT

BIOGRAPHY

Out of one of the outstanding figures of the French Revolution, Antonina Vallentin has made an excellent and entertaining biography. *Mirabeau,* (Viking, $5.00), is a somewhat detailed account of the youth, manhood, and private life of the subject. His affairs with women, particularly as they affected his outlook on his world, and the background of the political changes of Louis XVI, and Marie Antoinette combine to make it a live narrative Mirabeau's weaknesses are admitted, together with his early unattractiveness and his later power. It is sympathetically told.

FICTION

The Ides of March, by Thornton Wilder, (Harper, $2.75), is fiction because the author, using imaginary letters from and to the characters, has retold Caesar's story in novel form. Style accounts for much of the interest, for it is a book for the discerning few, rather than for those who seek action or plot. There are both, but on a measured and sedate plane.

That Winter, by Merle Miller, (William Sloane Associates, $3.00), is a study of characters and the times. It is a novel about three veterans and their experiences after their discharge in 1945, their reactions, and their readjustments. It is well told, realistic without being unnecessarily coarse, and with enough meaning to be of value.

MISCELLANEOUS

The history of building in America, starting with colonial times, is the purpose of *American Building,* The Forces that Shape It, by James Marston Fitch, (Houghton, Mifflin, $5.00). With illustration and text the author shows the progress of our architecture through the years to the present. While not technical, it is of interest especially to architects, builders, and other professionals.

H. J. Heinz II, head of the Heinz food company, and J. Iorgy, a psychoanalyst, combine in *The Last Defense,* (Duell, Sloan & Pearce, $3.00), to discuss human relations, war, and revolution. It is a sincere attempt to show the need for humaneness in relations between peoples in the hope of preventing more wars.

What André Maurois writes and the way he writes it are usually of interest. Here in diary form he reminisces about a year (1946) in America. *From My Journal,* (Harper's, $2.75), tells of his experiences here and upon his return to France. His impressions are hardly unusual, but they are well put.

Ramakrishna, Prophet of New India, abridged from the Gospel of Sri Ramakrishna, translated into English by Swami Nikhilananda (Harper's, $3.50). This is a new edition of the classic, affording an introduction to Oriental philosophy.

George Seldes in *1000 Americans,* The Real Rulers of the U. S. A., (Boni & Gaer, $3.00), rakes the powers that be—Wall Street of course, the big publishers, and just about anything big. There is of course truth in the allegations that the big banks and big corporations are powerful, but that does not make the big insurance companies, for instance, criminal. Managements may be indifferent or victims of nepotism, as many are, but size and power of themselves do not make them vultures. Seldes divides his frankensteins into rulers and super-rulers. It cannot be quite as bad as painted, even if we are not listed.

* * *

For pleasant reading about part of America in pioneer days and later, try *It's An Old Pennsylvania Custom,* by Edwin Valentine Mitchell, (Vanguard, $3.00). Mitchell tells about the Pennsylvania Dutch, the founding of New Harmony, Conestoga wagons and the Amish. With small contemporary illustrations and the author's sense of humor, it provides an interesting visit to Bucks and Lancaster Counties.

A French prisoner of war in Germany for

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six years, Francis Ambriere, describes the life of the prisoners, their German guards, and of course their affairs with German women, in *The Long Holiday,* (Ziff-Davis, $3.00). It won the Prix Goncourt in 1946, and it is part tribute to the French sufferers and part explanatory of the depths to which German civilians had sunk.

Latest in the American Mountain Series is *The Sierra Nevada*—the Range of Light, edited by Roderick Peattie, (Vanguard, $4.50). It is an excellent volume, with impressive photographs and explanatory text, including some personal experiences of exploration.

The Definition of Good, by A. C. Ewing, (Macmillan, $3.00), is a series of essays on ethics and behavior from the conservative viewpoint, written for the student and based in moral obligations rather than current thought.

A much more interesting and less involved piece of work is *What Is Life?* by J. B. S. Haldane, (Boni and Gaer, $3.00), which has to do with a lot of things about man, science, and society. Much of it is simply repetition of accepted opinions on life and civilization, but Dr. Haldane makes it popular and easy reading.

Fred Allen recalls that in his vaudeville days he once played a theatre so far back in the Maine woods that when Dr. I. Q. got there his assistant called out, "Doctor, I have a moose in the balcony."

—*Chicago Sunday Tribune*

One of the famous juxtapositions of newspaper headlines happened by coincidence. Mark Twain arrived in England just before the Ascot races were to be run. Newsboys ran through the London streets with the headlines announcing in large black letters: "Mark Twain Arrives, Ascot Cup Stolen."

On a somewhat informal basis, we asked 50 people chosen at random throughout New York City: "Where are the UN headquarters?"

Here are some typical answers:

Tailor: "At the old World's Fair grounds."

Hairdresser: "Paris."

Polish Housekeeper: "Somewhere on the water— I once read the name."

Bostonian: "At the St. Francis Hotel, San Francisco."

Manicurist: "Moscow—twice a year."

Spanish teacher: "Casablanca."

Young Lawyer: "I thought it was all vetoed."

Grocery Clerk: "Eh—do you mean the American or the Russian one?"

Schoolgirl: "Well, lots of places, of course. . . ."

Butler: "Westbury."

Electrician: "Who cares?"

Exterminator: "Lake Success."

Flushed with success, at last, we discontinued our polling.

—*UN World*

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Pioneers

While yet the spring is pathless, while, as yet,
The green, untrodden, has no storied track
That we or others walked in—to regret,
It may be, and no way of turning back,—
Let us move out across the virginal season,
With indirection, with our way to find
From love, alone, that compass of unreason,
Whose needle knows, but sees not, being blind.

For blindness is our need and hope of grace,
And this untrammeled season none has known,
That has no memory and no historied place,
Is one for pioneers to make their own,
In innocence, forgetting what had been
The way of older lands they travelled in.

DAVID MORTON

Fashion Decree

. . . And I looked up, and there was sun—the trees
Wearing, over their darkness, a new brightness,
The grass wearing a new sheen as would please
A connoisseur, and with incomparable lightness.
A new season it was, with the fashion changing:
Season of sun: the winter modes of gray
Were going or gone, and news of this was ranging
Through caverns of sky, through dark roots hidden away. . . .

Through darker caverns yet, through stranger ones:
Through levels of mind long done with season and season
And fashions changing with the changing suns.—
But I looked up, and suddenly, without reason,
The blood sang in the light, in the new fashion,
Like tree or grass, with the same reasonless passion.

DAVID MORTON

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YES!

By James Carr

FORUM: Is Amer Education W

DEMOCRACY cannot function without a literate, educated electorate; this premise must be accepted by democrats whether or not they believe that public school education in the United States today is worth what it costs. My opponent can merely question whether or not the cost of so-called "free" education is too high.

During the year 1946, the United States spent not more than one and one-half per cent of its estimated national income for public education (about $2,500,000,000). In the same year, it is estimated that the U.S.S.R. spent around eight per cent of its national income and Great Britain three per cent. In 1945, while this country was spending an average of $17.76 per capita for education, it also spent on the average, $21.49 per capita for tobacco, $55.65 per capita for alcohol and $17.76 for cosmetics. There is no reason why the nation cannot afford far more than the current amount spent on education.

Those who do not believe that American public school education today is worth the cost point to its many grave defects without realizing that many of these defects result from inadequate financing. Partly because the general public is indifferent to the problems of education, partly because of the extremely local nature of the public school system, overcrowded classrooms, insanitary and unsafe buildings and improperly prepared and inadequate teaching staffs are still the order of the day in many parts of the United States. Ten million American citizens are illiterate. The percentage of adults in this country as a whole who have not completed more than four years of school (1940 census figures) is 13.57—a poor record for the nation which boasts of its educational system!

Despite improvements which have been made in American schools in the past 50 years, we have still a long way to go before our school system provides the educated electorate so essential to our prosperity as a nation. The history of public school education in this country, however, shows steady improvement and continual widening of the educational privilege to embrace all the children of the nation. Although today the typical American school is free of charge to those who attend, schools in this country were not always supported at public expense. According to Ellwood Cubberly, there are seven stages in the development of American public school education. Education in colonial times was provided only by private benevolence or religious charity or by charging the parents of pupils who could afford to pay. Charity schools occasionally received small gifts from the public treasury. Next, public sources granted assistance to private or semi-private schools or to societies providing schools, so that the term of instruction could be somewhat extended and tuition fees reduced. Permission to organize lotteries was in many instances the form the aid took! As agitation for tax funds for school support increased, states began to permit local governments to organize public schools and tax their citizens for this purpose. The first of these schools were bitterly opposed and were at first considered schools for paupers only. When the benefits of more nearly universal education became obvious, the states began to require local governments to provide for children whose families couldn't afford their education, either by establishing public schools or by paying tuition for such children in existing private schools.

In 1802 the federal government began making land grants to the states for educational purposes and state school funds were thus created. Now states began to require local

(*Continued on page 222*)

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...can Public School ...rth the Cost?

NO!

By Jonathan S. Williams

ACCORDING to figures released by the United States Office of Education, the school population of the United States is again increasing; by 1950 the elementary schools will have added another 2,000,000 children to their attendance rolls. Nonetheless, since the outbreak of World War II, America's public schools have deteriorated markedly; nearly 6,000 schools have been closed because teachers were not available and, in 1947, 75,000 school-aged children received no formal education whatsoever.

Confronted with facts like these, the National Education Association and many well-meaning friends of education cry for more money for education: more money to build new buildings, pay more teachers, accommodate more children at ever increasing ages in the educational mill. As my opponent has so aptly phrased his first premise, "democracy cannot function without a literate, educated electorate." With this statement no one, least of all myself, will quarrel. But surely the achievements of education cannot be measured in terms of money alone, despite the efforts of my opponent to do so. The question before us, rephrased, is whether the public education now offered American school children is first of all adequate, and, secondly, whether it is worth what it costs the taxpayers today.

For more than 70 years, the cost of American public school education has been increasing. Requirements for the teaching profession have gradually stiffened; better and more expensive school buildings have been provided; additional services have been included in the educational process; more children have been kept in school for more years. Yet despite ever-increasing costs of education, it is generally conceded that there is something radically wrong with the public school system in the United States. As Benjamin Fine points out, in his book *Our Children Are Cheated,* "America's public school system is confronted with the most serious crisis in its history. An acute teacher shortage, lowered morale, inadequate supplies, and a loss of confidence have combined to weaken public education in this country." If American education has been brought to such a crisis in the face of its ever-increasing costs, what right have we to assume that additional appropriations of public funds will rectify the difficulty? Is it not possible that further rises in the cost of education will simply mean pouring good money after bad?

ERRONEOUS BASIC CONCEPTS

The truly disinterested observer cannot avoid the conclusion that many of the difficulties faced by the public schools are not financial, but the results of various erroneous concepts of the educational process. In our morbidly materialistic civilization, it was to be expected that emphasis would fall on bigger and more elaborate school buildings. As early as 1930, the total value of the property and endowments of the public schools was estimated at more than six billion dollars! The school building in many communities has become a show-place, proof that locality X has more social standing than locality Z. In at least one instance known to this writer, the students are not even allowed to enter their school by the front door, lest they disturb the beauty of the entrance-way! In many communities, more is spent for janitorial service in the schools than for teachers' salaries. This is not to say that clean, well-kept buildings are not important, but an over-emphasis on *appearance* has added thousands of unnecessary dollars to the cost of American education.

School buildings today, are built only partly to accommodate school children at their studies

(*Continued on page* 225)

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(*Continued from page 220*)

taxes for school maintenance to supplement state funds, although districts were usually able to ask fees from pupils for partial support of the educational system. Nor was the school system elaborate. On the frontier and in farm communities little was taught except elementary reading, writing, and arithmetic. Andrew Jackson, seventh President of the United States, was a product of such a school and was all his life handicapped by insufficient knowledge of grammar and spelling. Teaching of foreign languages and classical culture was, of course, out of the question.

Tuition fees in public schools were finally eliminated and the entire cost was assumed by the public. Following this radical move, the pauper school idea disappeared and public aid for private or sectarian schools became the exception. The American public schools became the common schools for all American children: a meeting place for varied creeds, nationalities, and, in the North, colors, and for children from all classes of society.

Today an eighth stage in the development of free education is obvious; it is perhaps this stage to which my opponent takes exception. Formerly instruction was free, and school buildings were provided; yet many children could not attend the schools because they could not afford transportation, textbooks, and other necessities. At the present time the list of services provided without charge to the school children is increasing all the time; free transportation, textbooks, other work materials, health services, dental inspections, and hot lunches are only a partial list.

As public school education in the United States became the accepted form of education, the standards set by the American people were raised. No longer are the three "R's," reading, writing and 'rithmetic, the only subjects of concern to educators. A report made by the late President Roosevelt's Advisory Committee on Education, published in 1938, lists the services which should be universally available in the public schools.

1. A well-planned program of general education for all children and youth, and also suitable preparation for particular vocations in accordance with the needs of the children and youth.
2. Instruction by carefully selected teachers who are competent and well-prepared, and who are interested in the development of community life.
3. Safe and sanitary school buildings adapted to a modern program of instruction and related services.
4. Suitable school equipment and instructional materials, including books and other reading materials adequate for the needs of the children.
5. Student aid when necessary to permit able young people to remain in school at least up to age 18.
6. Suitable opportunities for part-time and adult education.

Granted the desirability of these goals, the questions remain: what is the cost of the present public school system? What would be the cost of an optimum system? How well do the schools now fulfill the standards set by the President's Committee?

It is extremely difficult to compute the total cost of American education today because of the extremely local nature of school administration, varied methods of accounting and taxation, and incomplete figures. According to figures collected in 1934, there were at that time approximately 127,000 separate and independent school districts and other types of local school jurisdictions. In 1930, it was estimated that the total value of the property and endowments of the public schools had reached $6,674,445,000, and the annual expenditures of the system, including interest and capital outlay, were about $2,300,000,000. These figures dipped slightly in the depression years, and in 1935-36, annual expenditures were about $2,000,000,000. In the same period, public elementary school enrollments were 20,392,561 and high school enrollments had reached 5,974,537.

The estimated average expenditure per pupil in average daily attendance in all public schools, urban and rural, in 1935-1936, was $88.30. This figure includes $7,794,433 expended for summer, night, part-time, and continuation schools and interest and capital outlay, but not payments on principal of indebtedness. Since many school buildings are built with borrowed funds, the exclusion of this item is an important omission. Figures from New York State for the same period included

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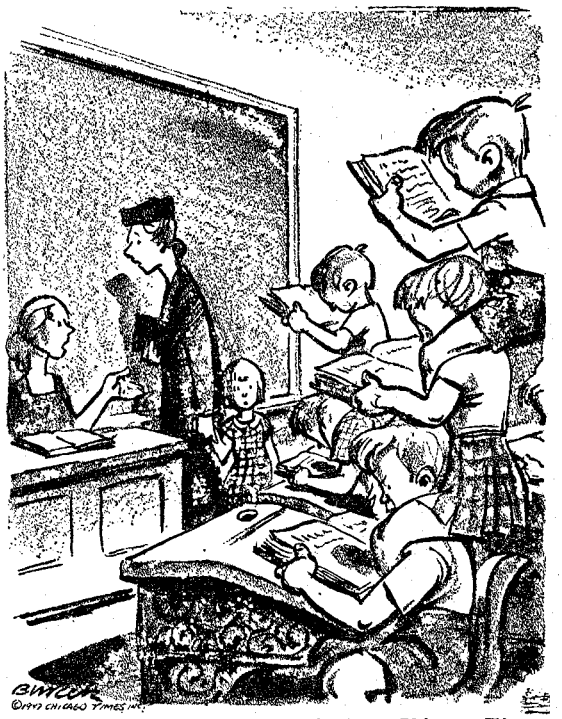
debt service, and the average costs per pupil was estimated at $128.22. In using New York State as an example, it must be remembered that it is one of the wealthiest states in the country with one of the highest per pupil expenditure rates.

Figures are also available for the years 1940-1944. In cities with populations of 100,000 or more, the average annual per pupil expenditure was $110.01 in 1940; $116.81 in 1941-42; $122.77 in 1942-43, and $131.98 in 1943-44, excluding cities whose population is over one million. Smaller towns and rural areas spend far less per pupil as a rule. Surely no-one can contend that private school education in the United States can be had as cheaply!

Breakdown of the average per pupil expenditures reveal more interesting information. In 1943-44, administrative expenditures per pupil cost 3.2 per cent of the total in the large cities; instruction expenditures, 75.6 per cent; operation of the physical plant, 12 per cent; maintenance of the plant, 4.2 per cent; auxiliary school services, 1.6 per cent, and fixed charges, 3.4 per cent.

These average figures give no hint of the wide variations in school expenditures from state to state and, within states, from locality to locality. A two-volume report, "An Inventory of Public School Expenditures in the United States" figures educational costs in terms of classroom units, rather than per pupil expenditures. According to this study, a classroom unit is figured as follows: a school with 21 pupils or less counts as one unit; a school with fewer than 42 pupils, as one and an appropriate fraction; 42 pupils are considered two units; in schools with up to 135 pupils, each pupil is counted as 1/31 of a unit, and in schools of more than 135 pupils each pupil counts as 1/27 of a unit. In the year 1939-1940, the current expenditures per classroom unit, excluding transportation and tuition, for all states combined, ranged from less than $1,000 to more than $6,000, with a median expenditure of $1,600-$1,699 per unit. Nearly 25 per cent of the states spent less than $1,000 per unit, another 25 per cent spent more than $2,500. Mississippi stood lowest with a median expenditure of under $500 and New York was highest with a median expenditure of more than $4,000. Interestingly enough, in states where separate Negro schools are provided by law, there was a preponderance of classroom unit expenditures in the $400-499 group.



Burck in *The Chicago Times*

"You See, Mrs. Jones—We Have A Housing Shortage Too."

Wide variations exist also as between urban and rural areas. In 1935-36 approximately the same number of children were attending rural and urban schools, yet there was a far lower expenditure level in rural areas. The antiquated one-room rural school house is not only badly adapted to modern educational requirements, it is also shockingly expensive in contrast with larger consolidated schools. A study completed in 1934 described nearly 44,000 schools with from 3 to 17 pupils, and with average costs per pupil ranging from $80 to $200, although many town schools operated at a per pupil cost of around $40. The one-room school house is less common today; yet a drive through any Pennsylvania rural area serves to convince a visitor that the one-room school, complete with out-house, is still a part of the American educational pattern.

According to the National Education Association, the next few years may be counted on to show a steadily increasing expenditure for

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public education. For 70 years prior to World War II the general trend was upward, save for two periods following depression in 1870-74 and in 1930-34. Although between 1941 and 1943 total expenditures declined approximately two per cent, current expenditures increased during this period seven per cent and the decline was due to a decrease in capital outlays because of war-time shortages.

At 1940 prices, the Research Division of the National Education Association estimates the annual cost of an *adequate* nationwide educational program at between five and one half and six billion dollars. A huge sum? Yes, yet it is only five per cent or less of a national income of 120 billion dollars (also based on 1940 prices). The national income of the United States during the war was almost 161 billion dollars, of which approximately 50 per cent was spent for war materials. If the American people could spend that enormous sum for war, surely they can afford five per cent of their peace-time income for education!

ARMY TESTS

No one familiar with the American educational pattern can pretend that our system is good or even uniform; there is little doubt, however, that the more money spent for education in this country, the better the result. Pertinent to this discussion are some figures made available by the Army on the results of the tests given for entrance to the Army Specialized Training Program during the war. The significance of the results is heightened by the fact that an extremely large group (316,000) was tested simultaneously under standardized conditions all over the country. The test was comprised of 50 items in four categories: verbal knowledge, science, reading, and mathematics. State averages ranged from 58.5 per cent to 84.8 per cent; state per pupil current costs in that year ranged from $32.98 to $171.89. Statistical correlations proved a direct ratio between the state averages and the money spent in each state for average teachers' salaries and current per pupil expenditures.

Another significant fact revealed by the tests was the comparative achievement of public and private school pupils: 11.4 per cent of the public school students scored between 80 and 89 per cent; 12.5 per cent of the private school pupils made the same score (and 14 per cent of college and university students). These figures tend to show that public school education in the United States, as compared with private schooling, is certainly worth the cost.

In spite of grave defects, our public school system remains the great equalizing opportunity in America. Are there alternatives to this educational pattern? If public school education is not worth the cost, if five per cent of the national income is too much to spend for education, what then? Educators are agreed that to spend less for education is to endanger the future of all our young citizens. Where less money is spent today, teachers' salaries suffer, teaching standards are lower, and pupils fail to receive adequate instruction. Dilapidated buildings and insanitary conditions, crowded classrooms and improper lighting—all these detract from the educational standard necessary in a democracy.

To cut current expenditures for public education is obviously no alternative at all. A return to private school education is also out of the question. Even today, with free textbooks and transportation provided by the state, some American children and young people find it difficult to attend school for financial reasons; their very earning power is missed at home. A return to private school education would mean a return to an educated aristocracy, an aristocracy not of brains but of money; in short, a return to an undemocratic caste system. Free school for so-called "paupers" would only aggravate this condition. Indeed, the question that should be debated is not the present one, is public education worth the cost, but a far more vital question: isn't public school education worth far more than we now spend on it? Ever-improving education in a progressive democracy cannot cost too much! Within reason, it is clear that the more we spend for education, the greater the return in an intelligent electorate and good government. American public school education in most parts of the country is undoubtedly worth more than its present cost. To those who would criticize its defects we must answer: you get nothing for nothing in this world.

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(*Continued from page* 221)

and partly as recreation centers for them and for the whole community. Enormous gymnasiums, swimming pools, football stadiums that hold 25,000 spectators—it is time to wonder whether these should properly be included in the costs of American public education. Again, recreational facilities for the adult citizens of any community are highly desirable; I question, however, whether their construction and maintenance is part of public school education.

Because education and the construction of school buildings is a public function, moreover, educational problems have become increasingly involved with politics. This has nowhere been more evident than in the construction of school buildings, where graft and corruption take a substantial cut in the total appropriation. The cost of education in one city known to the writer was boosted considerably by the purchase, for political reasons, of a completely inappropriate building site for a high school—a site so badly suited to its purpose that it has never been used. While public funds were wasted on the site and on blueprints for an elaborate school building, high school students were educated, part-time, in a dilapidated old building already condemned as unsafe, a building used for an academic high school in one day-session, a commercial school in a second, and a night school every evening! When additional school appropriations are spent for political graft, the educational system of the United States gains exactly nothing.

TEACHER TRAINING

The steady stiffening of requirements for the teaching profession has also increased the cost of education in the United States and the difficulties involved in finding and holding adequate teachers. More or less unthinkingly, we have accepted the maxim: the more training, the better the teacher, without examining very closely into the quality of the training or its purpose. In some teachers' colleges as many as 41 semester hours are devoted to courses in teaching techniques and educational theories. One third of the entire undergraduate work is thus devoted to technical study, and only two-thirds to the subject matter which the prospective teacher will teach her pupils in the days to come. Other teachers' training schools devote half their time to professional courses and only half to study in the liberal arts. Young graduates of liberal arts colleges, with excellent background in mathematics, history, literature, or what have you, are forced to attend teachers' colleges for from 6 to 16 hours of credits in "education" before they may qualify for teaching. Small wonder that much teacher material seeks jobs where no further expensive training is required, with a consequent loss to the American educational system! Small wonder that teachers who have been forced to spend unnecessary money for additional training feel that their pay is inadequate!

Poor teaching in American schools is also partly due to the retention of unsatisfactory or over-age teachers because of difficulties involved in their dismissal. In most communities, it is only rarely that an unsatisfactory teacher is dismissed from her post; usually she is transferred from class to class and from school to school, at the expense of the taxpayer and to the detriment of the student. Like civil servants, teachers have come to believe that regardless of continuing merit they have a more or less continuing right of tenure until pensioned. To protect their positions, they add to the unnecessary costs of education in two ways: 1) limiting competition among young would-be-teachers by various educational and other requirements, and 2) insisting on tenure and seniority rights for incompetent as well as competent teachers. Further appropriations for public school education, without reform in teachers' colleges and in the tenure system for the profession, will benefit neither the children of the country nor the many really excellent teachers who instruct them.

Another erroneous concept is the widely accepted premise that the more time the pupil spends in the classroom, the better educated he will be. Thus critics of education in rural areas almost invariably point to the shorter school year in such areas, assuming that this indicates poorer education. Yet these selfsame critics are ardent in support of vocational education in the classroom. We may very aptly ask them at this point in the debate:

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where will the farmer's children find better vocational training, in the classroom or on the farm? If the educational process is to include such training, why must it all be in the classroom, at expense to the community? Space limitations prohibit a discussion of vocational training in this debate. Yet there is something illogical in a school system that refuses to allow teen-age children to take profitable employment and learn by doing, and insists on elaborate courses in shop-work and other trades at a consequent increased cost to the community. With more profit to himself and to the general public, a boy might well spend fewer hours in the classroom and find profitable employment which would pay him and train him at the same time. In many areas, the effort on the part of labor unions to restrict competition has led to a situation in which young boys and girls are virtually prohibited by law from employment during the school year, which is constantly lengthened.

COMPULSORY ATTENDANCE

In much the same way, there has gradually grown up the belief that a good educational system requires attendance by all students in some kind of school until 16 or 17 years of age. My opponent cites the goals set by Franklin Roosevelt's Advisory Committee on Education with the assumption that they cannot be questioned, including the goal of student aid when necessary "to permit able young people to remain in school at least up to age 18." The question here is what is meant by "able." In too many cities and states, teen-age boys and girls are forced to remain in high school although it is obvious to their teachers, themselves, and the community that they are unable and/or unwilling to master a high school education. Their continuance in school past the point where it benefits them is expensive for the community and creates a difficult problem for the teacher and the school that must cope with them. Instead of permitting such young people to find employment and learn trades profitably, educators occupy themselves with methods of holding them in school, filling up their time, and teaching them a vocation at an expense to the community. In this, of course, well-meaning educators and those who look askance at "child labor" are aided and abetted by those people with a selfish interest in restricting the labor market.

For certain of the professions, of course, continuing academic training through high school and college is imperative; for unskilled labor and for many of the trades, however, a program which envisages keeping every youth in school until he has passed his eighteenth birthday is asking for trouble. The community pays twice for its errors in this respect: once, in the cost of wasted "education," i. e., hours spent in school, and again, in the loss of productive capacity while young men and women are legally required to sit in the classrooms. It is worth wondering, also, whether some percentage of delinquency does not result from the retention of boys and girls in a school situation far beyond the time when the school can hold their interest. The immaturity and irresponsibility so noticeable among American young people today may also be due in part to this tendency. If, as I contend, education is off on the wrong foot in holding all students for longer and longer periods of their lives, increased appropriations will not help improve American education in this respect. In actual fact, insofar as funds for secondary education are wasted on students unable to make use of such education, secondary education is already too expensive; it is not worth the cost.

Well-meaning educators have constantly expanded the meaning of "education" as it applies to the public school system. As my opponent has pointed out, no longer are the schools primarily concerned with the three "R's"; more and more school time is taken up by vocational and recreational facilities designed to make America's youth "better citizens." Those who believe that the present educational system is worth the cost, indeed, worth more than the cost, believe that it is the job of the school to give complete citizenship training and moral guidance as well as vocational training to its pupils. That such an expanded program is expensive no one denies. It is and can be worth the cost only if the program has a reasonable chance of success. This I very much doubt.

American interest in education today is not strong, nor are current educational programs successful in combating delinquency or the deterioration in moral standards obvious to

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many of us. The erroneous assumption of the educators that this is the concern of the schools is partially responsible for their continuing pleas for more and more money. Yet standards of conduct, of ethics, and moral and religious judgments in a democracy are more properly the concern of the home and the church. If these institutions are failing in their duties, what right have we to assume that the schools can carry the burden? Teachers are after all human beings, like parents and churchmen, and they are no better qualified (indeed, in most instances they are less qualified) to carry the burden of inculcating moral standards. Schools must teach history and citizenship, yes, but further than this it is difficult for them to go, in spite of the size of school appropriations.

Basic to the argument, in the last analysis, is the problem of the proper function of the school. Even my opponent will not deny that the teaching of the fundamentals—reading, writing, spelling, and arithmetic—is a prime function of the school system, a vital part of making literate citizens. It is extremely doubtful whether this function is better, more efficiently or more economically performed today than it was 50 years ago. A shocking percentage of grammar school graduates are deficient in spelling and writing, and are unfamiliar with the commonplace multiplication tables. High school graduates with a smattering of world history, economics, and sociology are unable to handle the English language properly and lack sufficient simple arithmetic for even routine clerical work. Part of this situation is caused by the modern emphasis on "progressive" education in many parts of the country, and on the lack of discipline that characterizes our national life today. This defect in American education can hardly be overcome simply by adding to school appropriations. It is indeed questionable whether a school system which fails in such a vital function is worth its present cost.

Today, the school systems of the United States are concerned with bigger and more elaborate school buildings, with more and stiffer requirements for their teachers regardless of innate teaching ability, with constantly lengthening school terms for all students regardless of their interests and capabilities. These goals are frankly not worth the cost to the American taxpayer in terms of achievement. When in addition we realize that the fundamentals of public school education are neglected, the basic requirements of a literate electorate overlooked, we are forced to the conclusion that public education in the United States is *not* worth the cost. Our children are being cheated, yes, but so is the American average taxpayer! Before asking for more funds, the educators should stop to ask themselves how wisely they have used the increasing appropriations of the past 70 years. Before spending more money on new educational projects, they should re-evaluate current educational achievement in terms of the value of the education provided to the students, themselves, and to the community as a whole.

If I wish to know everything, I go to a young man, but if I desire to know one thing, I seek an older man.

—John A. Shedd

An irate customer stormed into a butcher shop and flung down a piece of brass on the counter.

"Will you please explain that!" he raged. "I found it in the ground round steak I just bought."

The butcher picked up the piece of metal and looked it over carefully. Then he scratched his head.

"Guess I musta forgot to take the collar off."

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Potsdam at Work

WHILE Congress debated the nature and extent of our obligation to reconstruct Europe, the administration was under fire for its reparations policy in Germany. No discussion of European reconstruction can ignore the fact that those clauses of the Potsdam Agreement providing for the payment of German reparations in capital goods are being carried out. Nine hundred and eighteen German plants have been marked for dismantling; 600 of these are not listed as war plants.

Former President Herbert Hoover has warned:[1]

> At a time when the world is crying, and even dying, from lack of industrial production we apparently pursue the policy of destruction of the gigantic productive equipment in the Western zones of Germany. It means less essential goods to all Europe, greater delay in recovery of the world and larger drains on the American Taxpayer. I can only repeat a statement in my report of ten months ago: "The removal and derstruction of plants (except arms plants) should stop. . . . we can keep Germany in economic chains but it will also keep Europe in rags." And, I would add, it will keep food scarcity and high taxes in America as we vainly spend a billion a year to keep alive these millions of idle Germans.

On February 9, Secretary of State Marshall replied to Mr. Hoover, Mr. Vandenberg, Mr. Herter, and other critics of the dismantling policy in a State Department memorandum which FORUM presents below.

The critics of the dismantling policy see it primarily as an economic problem with grave, but secondary, political consequences. Mr. Marshall points out that the reparations problem is primarily political, and infers that the economic problems have been dealt with as well as could be expected.

THE GERMAN REPARATION PROGRAM

In recent weeks, while the major proposals of the Euro-Recovery Program have been under continuous Congressional and public discussion, there has been widespread criticism directed to the question of the compatibility with that Program of the present German reparation settlement. It has been argued that the dismantling and transfer of German plants blocks the industrial recovery of Germany, and is the major factor preventing the great industries of the Ruhr from contributing to European reconstruction. The conclusion is drawn that the dismantling program increases the burden on the United States, and the costs which must be borne by the American taxpayer. It is asserted that the transferred plants are of small value to the recipient countries, and that, in any case, the major beneficiaries are countries which are unfriendly to the United States.

A more limited opposition is addressed to the question of certain plants on the dismantling lists which appear to be technically capable of producing items, such as sheet and strip steel, and large diameter pipe, which are in short supply throughout the world because of lack of producing capacity. It is argued that it would be to the advantage of all nations concerned to keep such plants in Germany, and to assign them top priorities in supplies of coal, manpower, and other scarce factors of production, rather than to undergo the loss of production time involved in their dismantling and transfer.

In response to these criticisms a fundamental re-examination of all the considerations involved, both economic and political, has been undertaken by the Department of State. The conclusion has been reached that the German reparation program should be continued in its present form, and that such continuance will aid, not hamper, the economic recovery of Europe. Such continuance will, furthermore, leave to the German people adequate resources to enable them to develop a decent standard of life, and to contribute through industrial exports to European recovery. The major considerations which led the Depart-

1 *Destruction At Our Expense*, Common Cause, Inc., New York, New York.

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ment to adopt this conclusion are summarized in the following paragraphs. The question of whether certain of the plants on the dismantling list would be better able to contribute to the world supply of critically short items if retained in Germany is now being investigated.

The obligation of the aggressor to pay the maximum reparation compatible with economic and political realities is incontestable. The failure after the First World War to arrive at a realistic solution of this problem cost American taxpayers and private investors hundreds of millions of dollars, seriously disrupted European and world trade throughout the interwar period, and gave rise to constant frictions in international political relations.

From this unhappy experience it could be concluded that any reparation settlement, to be satisfactory, should be realistically based on capacity to pay, should be carried to final completion within a relatively short period, and yet should be accepted as equitable by all concerned. It was such a settlement that the United States government consistently sought from the time when planning for the post-surrender treatment of Germany was begun. Without such a settlement, it was certain that the time when Germany could enter into normal economic and political relations with the rest of the European community would be seriously delayed, and it was probable that American taxpayers and investors would once again find that they had paid the German reparation bill.

The Potsdam Agreement embodies the basic features of a reparation settlement satisfactory to the United States. It very specifically lays down the principle that the German reparation bill must be kept within the bounds of Germany's capacity to pay, and recognized the necessity for a definitive settlement to be carried through within a few years. It takes into account the fears of European countries of a resurgence of German aggression, and yet lays the ground for the establishment of a unified, peaceful, and economically viable Germany capable of self-support.

Providing all parties hereto undertook its implementation in a sincere spirit of cooperation, the Potsdam Agreement provided the basis for a definitive settlement of the reparation shares of the Soviet Union and Poland on the one hand, and of all other countries entitled to reparation from Germany on the other. The Paris Agreement on Reparation, which was negotiated in Paris during the last two months of 1945, represented the practical acceptance by these other countries of the Potsdam reparation settlement. These 18 countries in effect accepted the principle of Germany's capacity to pay, and agreed among themselves as to their relative shares in a total volume of German reparation assets which at that time was unknown. Such a reparation settlement is unprecedented in history; and in view of the greatly reduced volume of capital equipment being made available under the Revised Levels of Industry, its continued acceptance is even more remarkable.

OUR COMMITMENTS

There can be no doubt that the signatories of the Paris Reparation Agreement regard the United States as being fully committed thereby to carry out the reparation provisions of Potsdam. There are no legal grounds in international law to justify the conclusion that the Paris Agreement is no longer internationally binding.

It is, of course, true that in cases where circumstances have substantially changed since the date of signature of an international agreement, and where the majority of the signatories to the agreement concur in the view that the agreement requires modification in the light of such changed circumstances, renegotiation has frequently been undertaken. As pointed out elsewhere, however, the majority of the signatories to the Paris Agreement on Reparation feel strongly that the implementation of the Agreement should be continued; and that, indeed, the action taken to date has been too dilatory and limited.

As is well known, the Soviet Union has refused to follow in practice the principles of German self-support and capacity to pay, and of economic unity, laid down in the Potsdam Agreement. Unless it is willing to live up to all the terms of this Agreement, it cannot properly claim that only those clauses wholly favorable to it should be carried out. As has been announced, the Department of State is now seeking adequate arrangements with the

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British regarding further reparation deliveries to the east. So far as the United States Zone in Germany is concerned, only the remnants of three plants, dismantling and shipping of which had already progressed very far prior to the last Council of Foreign Ministers, are now in process of delivery to the U.S.S.R.

It remains true, however, that the Potsdam Agreement embodies the basic features of a reparation settlement satisfactory to the United States, and one which is probably as advantageous to Germany as is compatible with Germany's obligations. This being so, it would obviously be unwise to abandon the Potsdam reparation settlement merely by reason of Soviet malfeasance.

ATTITUDE OF EUROPEAN COUNTRIES

The attitude of the members of the Inter-Allied Reparation Agency towards the dismantling program has been most recently indicated by a Resolution of the Assembly, transmitted in November, 1947, to the Council of Foreign Ministers. The Resolution protested the delays in dismantling and shipment of German plants, and requested the Council to seek measures to speed up the program. A similar Resolution had been presented to the Council in October, 1946.

The eagerness with which the members of the Agency have sought to secure such German plants and equipment as have been made available to them is ample evidence of the importance which they attach to these plants for purposes of their own economic reconstruction. Apart, however, from the contribution of the reparation program to their own economic reconstruction, these countries regard the program as a symbol of an attitude towards Germany's past actions and towards their own future, the abandonment of which would cause the greatest concern. To argue that the United States has already, through contributions to European relief, "more than paid for these plants," would seem to them to represent a callous disregard for the moral issues at stake, and for the superior rights of the victims over the aggressor. This attitude also tends wrongly to identify German and American interests.

From a purely practical standpoint, it is the attitudes of Britain and France, in whose Occupation Zones in Germany are located the great majority of the plants remaining to be dismantled, that are of most importance. The British have very strongly expressed the view that they regard themselves as bound by the Paris Reparation Agreement to carry out the dismantling program. The French, although they have not been directly approached at this time, are known to hold similar views. In addition, the French have already protested against the present Bizonal Level of Industry on the grounds that in certain fields of industry it permits the retention of so great a German capacity as to threaten their own security. The Department of State considers that it would be inconsistent with national policy to attempt to coerce the British and French into taking action which they would regard as a breach of their international commitments, and as an injury to their own material interests and to those of the entire European community.

ECONOMIC CONSIDERATIONS

When it became clear that the U.S.S.R. had no immediate intention, except on its own terms, of putting into effect the economic arrangements envisioned under the Potsdam Agreement as necessary for the creation of a viable German economy, the American and British governments took the decision to merge their Zones economically. An open invitation to other Zones to join the merger was maintained. The two governments continued to feel, however, that the general lines of the reparation settlement embodied in the Potsdam Agreement were correct ones, and instructions were given to the two Zone Commanders to prepare a Revised Level of Industry for the Bizonal Area as a basis for the carrying out of that settlement. These instructions were given in March, 1947, after the Council of Foreign Ministers met at Moscow.

By that time some 18 months' experience had given a clearer insight into the problems of German economic recovery. The general dollar crisis in Western Europe had not yet become apparent in its full intensity, although serious difficulties had already appeared. In working on the Revised Level of Industry the

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American and British authorities in Germany had fully in mind the necessity of providing the basis for a German economy with the resources and flexibility essential not only for its own recovery, but also for the fullest contribution within its power to general European recovery.

Negotiations proceeded over several months, and it was not until August 29, 1947, that the Revised Level of Industry was finally announced. The general effect of the Revised Level of Industry is to permit the retention in the Bizonal Area of sufficient industrial capacity to produce approximately the same volume of output as was produced in 1936.

1936 was a year of considerable prosperity in Germany and one in which the German standard of living was one of the highest in the world. Not only was the standard of living high in that year, but in addition the Nazi government found it possible to devote large resources to the construction of the Autobahns, of massive public buildings and Nazi Brown Houses, and to armaments production.

In 1936 the Bizonal Area exported, in terms of current prices, roughly $1.75 billions worth of industrial products. The Revised Level of Industry provides the basis for a volume of exports some 15 per cent larger than this.

It should be emphasized in addition, that the Revised Level in no way constitutes a permanent straight-jacket on the German economy. Within the resources left to them, the Germans are free to develop their economy and standard of living to the fullest extent made possible by their enterprise and hard work. Such permanent restriction as may be necessary for reasons of security will be contained in the final peace arrangements. In the meantime, the occupation of Germany will continue.

It is well to recall that, on the basis of the resources available to them in 1936, the Germans established a formidable war machine. Had these resources been devoted to peaceful purposes, the German standard of living could have been greatly raised above its already high level.

It is, of course, true that the population in the Bizonal Area will be considerably higher than in 1936, and that the volume of industrial output per capita will, therefore, be lower. Taking into account, however, the fact that resources will no longer be devoted to war purposes, it is considered that full opportunity remains for the development of a decent standard of life.

The level of industry presently contemplated in the French Zone is believed to be rather lower, on a relative basis, than that for the Bizonal Area. Industrial capacity in that area is, however, a relatively small fraction of the total in the three Western Zones. Even if present French plans are carried out in their entirety, therefore, it is not believed that they will materially reduce the capacity of Western Germany as a whole.

The selection of individual plants for removal was carried out with a view to retaining in Germany the most economically located plants and those best able to contribute to the export program, while at the same time minimizing the local and temporary effects of dismantling. The concentration of production in the plants remaining is expected to improve efficiency in management and in the use of labor, fuel and raw materials. It should be noted that these lists were drawn up during the period between the end of August, 1947, and the middle of October, and that the general character of European and world needs, and especially of the needs for specific critical commodities, were well known at this time.

At the time of publication of the list of plants to be dismantled, on October 16, the responsible German authorities were invited to submit suggested amendments. No amendments were submitted in the case of the American list. Some 30 or 40 amendments were suggested for the list of plants in the British Zone. Many of these amendments were accepted, and others are still under consideration.

GERMAN PRODUCTION

The present level of industrial production in the Bizonal Area is roughly one-third of the capacity scheduled for retention under the Revised Level of Industry. Even this level has been achieved only after more than two years of grinding effort to break the complex log-jam of shortages which is blocking German production—food, coal, raw materials, housing, manpower, transport, etc. In no single

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branch of industry does production now equal or even approach retained capacity. In no branch of industry will the removal of capacity now scheduled for dismantling materially affect the output of that industry over the next four or five years.

In the light of the above facts it is clear that the real problem of bringing about German recovery, and therefore of enabling Germany to contribute to European recovery, is to increase German production. Even were present German production doubled, it would still be one-third lower than is technically possible on the basis of the Revised Level of Industry.

Many suggestions have been put forward in the press and in pamphlets as to possible means of increasing German industrial output to the point where all existing capacity, including that scheduled for dismantling, could be fully utilized. It has been urged, for example, that more coal should be shipped from the United States in order to permit the retention in Germany of a greater proportion of German coal production, thereby affording the basis for a greater German industrial output. This suggestion ignores the fact that coal is now being stockpiled at German mines because of inability to transport it to manufacturing plants. It ignores the fact that skilled manpower for making immediate use of greatly increased quantities of coal is simply not available. Other panaceas offered can be shown, upon detailed analysis, to fail equally to take into account the hard facts of economic life in Germany today.

Industrial recovery in Germany is necessarily a slow process, which can only proceed in a reasonably balanced fashion, with advances in one particular branch of industry providing the essential basis for equivalent advances in other branches. To superimpose overriding priorities for production of particular items would be to invite collapse in other segments of production. To attempt to inject supplies of fuel and raw materials into the economy at a rate faster than can be effectively utilized under existing circumstances would engender waste and misuse. In view of world shortages today, such action would be untenable.

In conclusion, it is important to note that in their discussions of the possible German contribution to European recovery, the Bizonal authorities did not find themselves in any way limited by the restrictions imposed under the Revised Level of Industry. Their estimates of possible German production, and of possible German exports to countries participating in the European Recovery program represented the maximum deemed feasible under existing and expected conditions in Germany, taking into account the needs both of Germany and of Europe.

Even under present programming, it is estimated that within four or five years Germany may have a substantial export surplus in its trade relations with other countries participating in the European Recovery program. By 1952 total exports from the Bizonal Area to these countries are estimated to be in the neighborhood of $2 billion with a surplus of exports over imports of around a quarter of a billion dollars. To divert food, coal and raw materials from other countries to Germany with the result of increasing this surplus would be difficult to defend either on political or on economic grounds. Such diversion would be certain to lend ammunition to the Communist propaganda that the United States favors the re-building of a powerful Germany over the reconstruction of Germany's victims.

SUCCESS OF PROGRAM

Ample evidence of the economic feasibility of dismantling and transferring industrial equipment is to be found both in earlier American experience and in the experience of the Inter-Allied Reparation Agency. The War Assets Administration, for example, has been realizing about 50 per cent of war-inflated acquisition costs on sales of second-hand general purpose machinery. Eighty per cent of the equipment sold by them has been dismantled and transferred to new sites. Demand for many types of equipment offered by them is far in excess of supply. European countries have been paying good prices for this machinery despite the fact that it must be transported across the Atlantic and converted to the metric system before it can be utilized.

The O.F.L.C. has promptly disposed of virtually all of the German equipment secured by the United States through the Inter-Allied

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Reparation Agency. Most recently, for example, a chemicals plant was sold to an American firm for $103,000, although its 1938 replacement cost in Germany was estimated at only about $135,000. The Permanente Metals Corporation has purchased a German aluminum foil rolling mill for $203,000, and is now engaged in dismantling and packing it. Customs duties must be paid also and both these plants must be moved across the Atlantic, re-erected in this country, and adapted to the American system of measurement. Nevertheless, in the opinion of experienced American businessmen these are sound commercial transactions.

Equipment from the Hensoldt Optical Plant has been re-erected in the Netherlands to replace equipment looted by the Germans. Machinery from the Kugelfischer ball-bearing plant will help to replace both British and French plant extensively damaged during the war. It is clear that both the governments concerned and the business firms which purchase the equipment from their governments, regard the dismantling program as both practicable and profitable.

In many cases Germany represents the only possible source for securing industrial equipment within a reasonable period. Furthermore, the German equipment can be procured under the reparation program without expenditure of scarce dollars, and is in most cases more readily adaptable to European plants than is American machinery. Since the plants cannot presently be used in Germany, their present economic value there is so low as to be negligible in relation to their value to recipient countries. It is too seldom remembered that at the end of the war Germany had virtually as many machine tools as the United States.

Under the Potsdam Agreement, the Soviet Union was required to make to the Western Powers so-called "reciprocal deliveries" of foodstuffs, potash, coal and other commodities in return for three-fifths of the capital equipment delivered to them from the Western Zones of Germany, i.e., in return for 15 of the 25 per cent of total removals from the Western Zones to which they were entitled. Such reciprocal deliveries were to be spread over a period of five years, whereas the capital removal program was to be completed within two years.

Under present plans total capital removals from the Western Zones would probably amount in 1938 values to approximately 1 billion *Reichsmarks,* of which the Soviet share would be R.M. 250 million. In return for this removed plant R.M. 150 million worth of reciprocal deliveries would be required from the U.S.S.R. Since roughly R.M. 100 million worth of capital equipment has already been delivered to the Soviet Union, while reciprocal deliveries are only now about to begin, the theoretical debts on both sides are now roughly equal.

In other words, the U.S.S.R. owes to the Western Powers R.M. 150 million worth of coal, food, and other commodities, and an equivalent value in deliveries of capital equipment is theoretically owed to the Soviet Union. The extremely urgent demands for commodities in Western Europe and the disproportionately great increase in world prices of commodities over capital equipment since 1938, tend to make this possible exchange advantageous to the member nations of the Inter-Allied Reparation Agency.

CONCLUSIONS

Analysis of Germany's economic situation shows beyond question that the Revised Level of Industry, and the dismantling program based on it, have no present effect on Germany's ability to produce and to export nor has the Revised Level been found an obstacle to planning the maximum feasible contribution by Germany to the general European recovery program. It provides for the retention in the Bizonal Area of sufficient industrial capacity to provide the basis for development of a reasonable standard of living, and of a volume of industrial exports greater than prevailed in 1936.

The dismantling and removal of German plants, therefore, represents a transfer of capacity which would otherwise remain idle in Germany to countries which, because of more adequate supplies of manpower, housing, transport and other scarce factors of production, and because they enjoy more stable monetary and administrative organizations, can make good use of them. Transferred Ger-

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man plants are already contributing to the economic recovery of other European countries, and may be expected to reduce the cost of the American contribution to European aid. To a considerable extent recipient nations have no other available source of supply for meeting their requirement for much needed industrial expansion.

The reparation settlement embodied in the Potsdam and Paris Reparation Agreements, of which, the dismantling program represents the concrete implementation, is one which accords with the best interests both of the United States and, recognizing its obligations, of Germany. It is a settlement to which genuinely friendly European countries, including both Great Britain and France, regard the United States as being fully committed, and one which represents to them the symbol of an attitude towards Germany's past actions and towards their own future, the abandonment of which would cause them the greatest concern.

Not failure but low aim is crime.

—James Russel Lowell, *Quote*

Very few people realize, a naturalist points out, that a female fly in the house may lay as many as eight hundred eggs a month. Those who do realize it are thankful she doesn't cackle.

"No, no!" said the mother hastily as the bride started to cover her pantry shelves with newspapers. "Left-over wallpaper, brown paper, paper bags, if you like—anything but newspapers!"

"Why?" demanded the bride.

"Do you want everybody to know when you cleaned your shelves last?" inquired the experienced housewife.

—*Christian Science Monitor*

One night at the White House, Calvin Coolidge played host to Model T manufacturer Henry Ford. Coolidge, who hated the social side of the Presidency, was complaining of the many receptions it was necessary for him to attend.

"I'll bet I've shaken the hands of one-quarter of the population of this country," he declared.

"And I," laughed Ford, "have shaken the bones of the remaining-three-quarters."

—St. Louis *Post-Dispatch*

A Vermont minister was renowned for the fact that his sermons never lasted longer than 22 minutes. Then came the Sunday when the sermon went on for three-quarters of an hour.

At dinner his wife asked him what had gone wrong.

"Well," her husband replied, "ordinarily I slide a cough drop under my tongue just before the beginning of the sermon. It melts in exactly 22 minutes. This morning I was talking for over 40 minutes before I realized my cough drop was a suspender button."

—*Capper's Weekly*

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More Than

FIFTY YEARS OF FORUM

The voters of 1886 were troubled like the voters of 1948 by the evils of the "caucus system." Richard H. Dana's description of it in *Forum* is distressingly familiar. The remedy which he proposes, however, is as new in 1948 as it was in 1886.

. . . . It is very common to complain of 'corrupt rings,' 'bosses,' 'strikers,' 'heelers,' 'ward politicians,' 'professional politicians,' and the like, as if they were so many mosquitoes, for whose existence we were not responsible; and it is common to speak of the caucus as a failure. But why is the caucus a failure, and why are there 'corrupt rings' and 'professional politicians?' It is common to say that we have outgrown our caucus system, which did well enough when we were a nation of three millions, but fails when we are a nation of fifty millions. But if size alone causes the trouble, why is not the caucus a success in the states and cities of less than three millions? If the chief failure were in the presidential nominations, our growth might seem to account for it, but, as it is, mere size does not explain it. Some writers account for it by saying that the American people prefer inferior men for representatives.

. . . . It takes only a little acquaintance with these 'professionals' to find out that each man of them has a 'stake' in his political work, that it 'pays' him to devote his whole time to making himself master of the details of 'running his district,' and that his objective point if always money and control of appointive offices. The use of these again to influence others is one of the sources of his power.

. . . . Add to this the amount of federal patronage, and the total is an annual income of $210,000,000, and a capital of the enormous sum of $4,200,000,000. This is the prize, in offices and employments alone, that sustains the flagging spirits of the politician. It forms the sinews of war, and makes it worth his while to train well and keep his armor bright. But to understand our case thoroughly we must see that simply the hope of obtaining offices is a great power. The hope of ten offices, if they are properly handled, is capable of keeping fifty men at work and of demoralizing fifty more. Again the inspiration of hope is enough to keep the machine alive during the term of an administration which resists "pressure."

. . . . Can we not, however, go to the very bottom and stop the means of support of the professional politician? If there is no pillage and no pay, our army of mercenaries will not remain very long together.

. . . . It seems to me that applying remedies to the caucus and election machinery is treating the 'apparent' condition only, and not the causes that have brought them into their present disrepute. The difficulty is not with the caucus or the ballot-box. The body politic has been suffering from the lavish use of the spoils office and electioneering money. We might as well, now as later, make up our minds that there is no magic patent blood-purifier that will work the cure. The only remedy is for our patient to cut off his potions of patronage money, hard as that may be.

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CONGRESS DEBATES:
The Economic Cooperation Act

THE Economic Cooperation Act of 1948 (S. 2202) passed the Senate on March 13, 1948, by a vote of 69-17, ten members not voting.

After the passage of the bill, Henry Cabot Lodge, Jr., paid a tribute to Senator Vandenberg that characterized not only his leadership but the whole tenor of the debate.

> Carl Schurz said of Abraham Lincoln that his was 'the leadership which does not dash ahead with brilliant daring, no matter who follows, but that which was intent upon rallying all the available forces, gathering in the stragglers, closing up the column' so that the front may advance well supported.'
>
> I believe the same can be said of the leadership of the chairman of the Foreign Relations Committee in connection with the fine service which he has just rendered his country at this critical time.

The groundwork for the E.C.A. was so thoroughly laid and the issues so fully publicized that many senators felt the passage of the bill was a foregone conclusion. The opposition was divided between the "protesters," Messrs. O'Daniel, Wherry, and Malone expressing the classic isolationist opinion, and Mr. Taylor that of the P.C.A., and the "revisionists," led by Messrs. Ball, Brooks, Kem, and Capehart.

The bill was passed without substantial change in 13 days. As conscious as we are of our tremendous responsibilities, we may not be aware of the historic significance of this fact. As the London *Economist* pointed out:

> Yet the sniping on the side has not yet modified the remarkable fact of a Democratic President and a Republican Congress pursuing jointly a really revolutionary and anti-isolationist foreign policy in election year. Perhaps this fact of anti-isolationism is the most remarkable of all. Who would have thought that within a year of the hotly contested Truman Doctrine, an isolationist should be one who "thinks that $4 billion is quite enough for Europe this year?" The revolution in American thinking in the last two years has scarcely a parallel in history, and it has been accomplished, not by the drumming propaganda of some totalitarian tyrant, but by the spontaneous movement of a freely-thinking people.

FORUM presents below excerpts from this significant debate.[1]

* * *

Mr. VANDENBERG, Republican, Michigan. Mr. President, with the unanimous approval of the Senate Foreign Relations Committee, I report the Economic Cooperation Act of 1948 in its perfected text. In the name of peace, stability, and freedom it deserves prompt passage. In the name of intelligent American self-interest it envisions a mighty undertaking worthy of our faith. It is an economic act—but economics usually control national survivals these days. The act itself asserts that "disruption following in the wake of war is not contained by national frontiers." It asserts that "the existing situation in Europe endangers the establishment of a lasting peace, the general welfare and national interest of the United States, and the attainment of the objectives of the United Nations."

Every Senator knows that these dangers are even greater than they were when those words were written only two short weeks ago. The fate of Czechoslovakia, where any semblance of democracy has just been gutted by subversive conquest, underscores this solemn thesis. The kindred fate of brave little Finland may be adding to the ominous score this very afternoon even while we debate an axiom, namely, that aggressive communism threatens

[1] *Congressional Record, Senate*, Vol. 94, No. 38, pp. 1981-1986, No. 47, pp. 2724-2734.

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all freedom and all security, whether in the Old World or in the New, when it puts free peoples anywhere in chains.

The act asserts sound doctrine when it says that it is "the policy of the people of the United States to sustain and strengthen principles of individual liberty, free institutions and genuine independence through assistance to those countries of Europe which participate in a joint recovery program based upon self-help and mutual cooperation."

* * *

The greatest nation on earth either justifies or surrenders its leadership. We must choose. There are no blueprints to guarantee results. We are entirely surrounded by calculated risks. I profoundly believe that the pending program is the best of these risks. I have no quarrel with those who disagree, because we are dealing with imponderables. But I am bound to say to those who disagree that they have not escaped to safety by rejecting or subverting this plan. They have simply fled to other risks, and I fear far greater ones. For myself, I can only say that I prefer my choice of responsibilities.

* * *

I wish, Mr. President, swiftly to sketch the chain reaction of events responsible for the issue we here confront. It is a significant narrative which speaks for itself in behalf of the need and justification for this heroic adventure, the greatest ever initiated by any one nation for the sake of peaceful humanities.

* * *

In the sanctuary of our relative good fortune where not one bomb fell during all those desperate days when the skies of Europe were raining death, we promptly and willingly went to the postwar aid of our prostrate friends. We literally leaped with them from one crisis to another. Bill after bill went through Congress for their relief, and billion after billion went from us to them. Two years of this went by. Often the efforts failed of the desired results—although, despite all debits, I hesitate to think what would have happened in the absence of the efforts. But it became clear that the process could not indefinitely go on, first, because Western Europe could not wait longer for real emancipation; second, because America could not longer afford to underwrite futility. We were both near the ends of our ropes.

Then came June 5, 1947. Secretary of State Marshall made a speech at Harvard. Just as at neighboring Concord in an earlier century, it proved to be "a shot heard round the world." At the moment it was just a few sentences in a quiet sequence. I quote:

> It is already evident that before the United States government can proceed much further in its effort to alleviate the situation and help the European world on its way to recovery, there must be some agreement among the countries of Europe as to the requirements of the situation and the part those countries themselves will take in order to give proper effect to whatever action might be undertaken by this government. The initiative, I think, must come from Europe.
>
> The role of this country should consist of friendly aid in the drafting of a European program and of later support of such a program so far as it may be practical for us to do so. The program should be a joint one, agreed to by a number, if not all, of the European nations.

Mr. President, the responsive effect in Europe was electric. History wrote with rushing pen. It was a new call to the colors—this time a peace call to mobilize for self-help and cooperation in quest of mutual survival. The British Bevin and the French Bidault promptly summoned a European conference. They consulted the Russian Molotov. He met with them in Paris on June 27. As usual, his demands were impossible; and, as usual, treacherous Moscow propaganda charged us with iniquitous American "imperialism," a charge shockingly echoed by some of our own citizens. The Soviets vetoed concerted action, but Bevin and Bidault went ahead. They invited 22 European nations—all of them—to meet in Paris. All Soviet-dominated countries sent their refusals, including Czechoslovakia, which, after a hasty summons to the Kremlin, withdrew its previous approval and now finds itself forcefully communized against any further expressions of self-will. Sixteen nations accepted the invitation. Here they are: Austria, Greece, Norway, Switzerland, Belgium, Iceland, Portugal, Turkey, Denmark, Ireland, Sweden, United Kingdom, France, Italy, Luxemburg, Netherlands.

They met on July 12 and organized the Committee of European Economic Coopera-

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tion, known as C.E.E.C. They met to coordinate the independent nations of Europe in a self-help effort to seek stability and preserve freedom in response to the dynamic impulse of what was then called the Marshall Plan.

Within 4 weeks Moscow dictated new reprisal agreements and tighter affiliations with all her satellites, and quickly organized the Cominform, through which the Communists of nine nations speak for the Communist world. The "iron curtain" took on more "iron." The Cominform is a modern version of the supposedly defunct Comintern, which was communism's prior agent of world violence and revolution. It frankly calls upon Communists everywhere to wreck the Marshall Plan and condemns it and us with a new intemperance of invective and distortion. It is indeed "cold war." It is pressure war against the independent recovery of Western Europe. Obviously, it is also aimed at us. It is a conspiracy to prevent the emergence of order out of chaos, stability out of confusion, and western freedom out of hopelessness. Communists everywhere have responded. The great sabotage is under way. Let me make it completely plain that I do not suggest, even by the remotest inference, that all opponents to the plan are Communists. I have already expressed my complete respect for the honest opinions of citizens who disagree. I simply point out, as part of the record, that while every critic is not a Communist, every Communist is a critic, and the orders from the Kremlin are to wreck this enterprise. Thus, the postwar pattern continues in familiar and consistent form.

I said that the 16 cooperating nations in C.E.E.C. acted bravely, as I hope we, too, may do. I have in mind not only the implications of the Cominform, but also such threatening statements as that by Mr. Molotov saying:

> The Soviet government considers it necessary to caution the governments of Great Britain and France against the consequences of such action.

Yet, Mr. President, there is nothing in this plan which threatens the Soviet police empire with any sort of consequence which she does not herself choose voluntarily to invite. It is not a plan against Eastern Europe, unless the independent survival of free peoples is on the blacklist. It is a plan for Western Europe. It is not external conquest. It is not dictation. It is internal recuperation by self-chosen methods. Eastern Europe was invited in. It was her own decision that keeps her out. It seems obvious that at least three of these countries behind the curtain would have joined if left to their own free wills. But, Mr. President, there are no free wills in police states.

East-west flow of trade in Europe is necessary to both. Its resumption will be profitable to both. There is nothing in this plan which retards this resumption, unless Moscow itself so elects. The healthy recuperation of Western Europe should facilitate this resumption for the good of all concerned, if we can have a peaceful world. . . . .

THE C.E.E.C.

The C.E.E.C. met for 10 weeks in Paris, concluding on September 22. It has been cynically said that they met just to total up a bill to present to Uncle Sam. Nothing could be more cruel or further from the truth. They met to see what they could do to meet the Marshall self-help specifications, and they concluded mutual pledges of amazing portent and vitality. We did not dictate their ticket. They wrote it for themselves. They volunteered their pledges—to use all efforts to develop production up to agreed targets—to apply all necessary measures leading to the rapid achievement of internal financial monetary and economic stability—to cooperate in all possible steps to reduce barriers to the expansion of trade—to set up a joint organization to follow these objectives through and to insure them to the fullest possible extent.

I comment, in passing, that these were not idle words at Paris. Our friends meant exactly what they said. They have already begun to prove it. "Benelux" already joins three of these countries in a customs union. Others are ready to come in. France has already performed major surgery on her currency. Italy and France have faced powerful Communist subversion and survived the test —a feat that might well have been impossible without our present and prospective economic aid. They, too, are negotiating a customs union. Bizonia in Germany is now well likely to become Trizonia in the spirit of new unity

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at the heart and core of European recovery. Britain's Bevin, backed by the united spokesmanship of his country, is calling for western union. These are new signs of the new times, Mr. President. If these trends are thwarted, if these hopes are dashed, I confess that I tremble for the consequences in this foreshortened world. This is not hysteria. It is simple candor. In my view, the approaching Senate roll calls are that important—to them and to us.

Now, Mr. President, make note of this: All these C.E.E.C. promises and pledges—importantly, including, by the way, the acquisition of essential strategic materials for stock piling in the United States—are to be written into agreements as a condition precedent to our cooperation. There will be specific bilateral contracts between the United States and each beneficiary country. There will be specific targets. There will be multilateral contracts in which all countries underwrite the common aim and the common cause. The obligations will be set down in black and white. This is no mere wishing well. For one example, in respect to the most vital commodity of all, coal production is pledged to go from 398 million tons in 1946 to 495 million tons in 1949 and 586 million tons in 1952.

Your Committee on Foreign Relations has made every possible effort to protect all these expectations. Indeed, this legislation which the Senate is asked to approve categorically asserts that—

> The continuity of assistance provided by the United States should at all times be dependent upon the continuity of cooperation among the countries involved.

The act categorically asserts that—

> the Administrator shall terminate assistance under this act to any participating country whenever he determines that such country is not adhering to its agreement or is diverting from the purposes of this act assistance provided thereunder.

No law can guarantee its own success. No man has a right dogmatically to say that any plan will succeed in these dangerous days of flux. But here is a warrant for maximum confidence that we do not indefinitely undertake a failure. All the more it makes the chance worth taking.

Now let me return to the narrative again. The C.E.E.C. summoned its best minds abroad to the council table. They had been warned by the Harvard speech that America expected a self-contained plan which could reasonably progress toward the restoration of economic independence and the end of American assistance. They had been warned that a successful recovery program must take the place of everlasting relief programs. They set to work to meet the challenge. At the end of 10 weeks they produced the answer. It would take 4¼ years of intensive self-help and cooperation, with progressively decreasing American assistance during this term of years. Their original estimate was that it might require an over-all total of twenty-two and four-tenths billions of American aid for Western Europe, including Western Germany. Chiefly by the deduction of capital-equipment items, this figure came down to 17 billions for 4¼ years. In other words, this peace investment might cost one-third as much in 4¼ years as we appropriated for war in just one bill that passed the Senate in five minutes and without a roll call one June afternoon in 1944. War has no bargains. I think peace has. I believe I am talking about one now.

FINANCING

I digress, however, to say that there is no seventeen billions or any other comparable figure in this pending legislation. It was in the first executive draft that came to us two months ago. I immediately asked for its deletion, and the State Department promptly acquiesced, because it could be no more than an educated guess of doubtful validity if we thus were to attempt to assess events and values so far in advance. Furthermore, it might be misconstrued abroad as a specific dollar commitment without their understanding that one American Congress cannot commit another. Yet the genius of the program, if we are to escape year-to-year relief, is sufficient continuity to encourage dependable long-range planning. We rightly demand continuity of performance from our friends as the price of continuity of aid. It is elementary and indispensable fair play, on the other hand, that continuity of aid similarly should follow continuity of satisfactory performance. It must be inherent and implicit in our purpose. Otherwise, I repeat,

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this is merely one more stopgap, "rat-hole" operation.

Your Committee on Foreign Relations has met this situation, Mr. President, by familiar statutory device. As is our standard practice when dealing with public projects overlapping into subsequent fiscal years, we have authorized to be appropriated from time to time for 4½ years such sums as may be necessary to carry out the provisions and accomplish the purposes of this act. But the only specific dollar authorization in the act is for one year, commencing next April. I shall discuss that later. Suffice it for the moment to point out that this has the effect of eliminating the necessity for subsequent annual authorizations. It thus simplifies the subsequent procedure. But it leaves each annual appropriation, as indeed it must, to the annual decision of the Appropriations Committees of the House and Senate and to the annual discretion of the Congress. The net of it is that the recovery program will pass in annual review. . . . .

HARRIMAN COMMITTEE

Now, Mr. President, let the narrative deal with equally significant events on this side of the ocean here at home. As soon as it became evident that C.E.E.C. intended to act upon Secretary Marshall's suggestion, the President began complementary studies at this end of the line. In my responsibility as chairman of the Foreign Relations Committee, I asked for his immediate appointment of an independent civilian group of seasoned and widely experienced citizens to survey the field and to report what America might wisely and safely do—I repeat those controlling words, "wisely" and "safely"—in connection with the contemplated program. As a result, such a group was named by the President on June 22, 1947, under the chairmanship of Secretary of Commerce Harriman, who was the only government official on the panel. Its bipartisan membership was completely independent of the government and its judgments were likewise. It had as fine and as representative a personnel as was ever gathered together to do an unselfish, patriotic job; and it labored with spectacular and unremitting zeal upon its complex task. Its ultimate report is one of the most comprehensive ever made in respect to a public problem. These credentials are important because, as a result, I think it is of paramount importance to us that this Harriman committee, despite occasional disagreement respecting details, came to the over-all conclusion that this recovery program not only is well within our American capacity but also that it is essential to the best welfare of the United States. This, remember, was the verdict of representative American citizenship. I do not know how any great problem in public policy could have been submitted to more competent audit. I commend this thought to prejudicial critics who do not and could not have comparable access to all the facts.

I quote one sentence from the Harriman committee's findings:

> The committee is convinced that a sound program for Western European recovery should be formulated and adopted by the United States with the same boldness and determination, and the same confidence in the worthiness of the democratic cause, which characterized our action in World War II.

That is the target of private citizenship mobilized through the high spokesmanship of the Harriman committee.

I quote one other sentence:

> The domestic consequences (of the fall of western Europe to Communist dominion) are such as no American could easily tolerate.

Does that require any application? I think not. But it is a timely reminder that the Senate cannot contemplate its decision on this pending act with complete and comfortable detachment, as if there may be no price for us to pay if we reject or emasculate this plan. We have no such complacent option. There is an alternative price. I simply suggest, in passing, for example, that Secretary of Defense Forrestal and Army Secretary Royall testified to our committee that in the absence of some reasonable prospect for the stabilization of Western Europe they would find it necessary to urgently demand billions more for national military defense. . . . .

In addition to the Harriman report, we have the survey by Secretary of the Interior Krug on Natural Resources and Foreign Aid. I quote one sentence:

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> The aggregate productive capacity of the United States appears ample.

In the same vein we had the so-called Nourse report, from the President's economic advisers. We also had the exhaustive studies of the executive departments through a large committee headed by able Under Secretary Lovett.

Now, Mr. President, I want to make it plain that all of this exploration dealt preponderantly with the most critical of all considerations, namely, the impact of this plan upon our own domestic economy. Nothing could be of more importance because we all agree that the maintenance of a sound and solvent United States is as indispensable to the hopes of the world as it is to us. It would be a final blunder to jeopardize our stabilities at home. We shall not do so. I am glad to echo the warning of the Harriman report that "it is not wise to underestimate the steepness of the climb," and that "the aid which the United States gives will impose definite sacrifice on the United States." That is obvious. This is no happy picnic. Heavy post-war peace expenditures involve a burden, just as did the infinitely heavier expenditures of the war-that-was, or the expenditures of another war which we propose, with every resource at our command, to prevent. Any drain upon our commodities not in surplus also is a burden, although it is significant to note that the contemplated exports under this plan at its very peak are substantially less than our average exports for 1947. But all authorities agree that the plan can be managed to avoid serious interference with our domestic economy. They agree that it would not precipitate domestic controls which would not be required by the domestic situation alone. For example, there will be no competitive exports of meat under this plan for at least two years. There will be no exports of metal scrap. Petroleum products, by the explicit terms of the bill itself, must be purchased offshore to the maximum practicable extent.

Sound administration of the act, Mr. President, will hold all these impacts to a minimum. The bill itself is explicit in these directives. In general terms it lays down the fundamental rule that "no assistance to the participating countries shall seriously impair the economic

Herblock in *The Washington Post*

"Aren't There Certain Risks Involved in Boating?"

stability of the United States." In specific terms it lays down the injunction that—

> The Administrator must provide for procurement in such a way as to (1) minimize the drain upon the resources of the United States and the impact of such procurement upon the domestic economy, and (2) avoid imparing the vital need of the people of the United States.

Now, Mr. President, we come to the act itself, which is unanimously endorsed by the Senate Foreign Relations Committee after five weeks of public hearings and ten days of continuous executive sessions. I cannot speak too gratefully of the friendly patience and bipartisan unity with which my committee colleagues cooperated. If something of their spirit imbues those for whom this legislation is intended, the Economic Cooperation Administration, as it will be called, has hopeful augury.

We confronted many serious perplexities involving wide divergence of opinion in and out of Congress. Perhaps the greatest of these was the question how this gigantic trust should be administered. It is the universal opinion that the success of the enterprise is largely dependent upon the character of its management. It is the universal opinion that its overriding economic purpose requires the

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highest available type of seasoned business experience and the widest possible autonomous authority for those who patriotically assume these vast economic responsibilities. It is equally the universal opinion that the highest considerations of foreign policy are constantly involved and that, as I said upon a previous historic occasion, we cannot have two Secretaries of State at the same time.

To fit these conflicting specifications into common pattern was, indeed, a jigsaw puzzle. We invited the Brookings Institution of Washington, one of the most respected research laboratories in the country, to make an objective study of this enigma. I express our great obligation to the Brookings Institution for the masterly job it did. The provisions in the pending bill largely follow its recommendations. I am happy to say the result already enjoys well-nigh universal approval in and out of Congress.

We are creating the Economic Cooperation Administration. At its head will be an Administrator with Cabinet status. In him, under final Presidential control, is vested the responsibility for operating this enterprise. The Administrator and the Secretary of State will keep each other fully and currently informed. Whenever the Secretary of State believes that any action of the Administrator is inconsistent with the foreign policy objectives of the United States, he will consult with the Administrator and, if differences of view are not adjusted, the matter will be referred to the President for final decision. This is a paraphrase of the formula which has worked so well in the Atomic Energy Act involving somewhat similarly mixed functions.

Behind the Administrator, and his Deputy, will be the Public Advisory Board, headed by the Administrator, organized on a bipartisan basis, and consisting of not more than 12 members, to be appointed by the President and confirmed by the Senate, "selected from among citizens of broad and varied experience in matters affecting the public interest." Its functions are advisory. But its utility is profound.

Overseas a special economic mission will be established by the Administrator and under his direction in each participating country; and the chief of each such mission will cooperate with our Ambassador or Minister under a general rule of conduct reflecting the contacts set up for the Administrator and the Secretary of State to avoid inconsistent decisions by either. Meanwhile what might be called a roving ambassador will represent us in dealing with any European organization of participating countries as insistently envisioned by the act. The creation of this post underscores our firm conviction that the salvation of Western Europe lies in consolidated self-help and cooperation. . . . .

To keep the House and Senate, here at home, in intimate touch with the evolution of all these plans, the bill creates the Joint Congressional Committee on Foreign Economic Cooperation—again borrowing this device of proved utility from the Atomic Energy Act. It will consist of seven Senators and seven Representatives. It will be bipartisan. It is already familiarly known as the watchdog committee. Little added definition is required. It will make continuous studies of what goes on. It will provide continuous and intimate congressional liaison with all these undertakings. In general sense it will represent the taxpayers of the United States. It will greatly simplify the subsequent annual responsibilities of Congress when, once each year during the life of this arrangement, it must determine in what degree yesterday's performance warrants tomorrow's continuing cooperation. . . . .

APPROPRIATION

Now, Mr. President, we come to the specific figure asked by the President for the first authorization under this bill. It was $6 billion for 15 months from next April first. This was the result of rigorous screening by the executive authorities of the C.E.E.C. proposals for $8,400,000,000 and a realistic appraisal of domestic availabilities. It took full account of the Harriman, Krug, and Nourse reports. It was the composite judgment of diversified minds. Secretary Marshall said it was as near a precision figure as human judgments can foresee. Certainly it was sustained by the most complete studies and surveys I have ever seen in a congressional committee. It was further sustained by the independent investigation of the Harriman committee—composed, remember, of the best busi-

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ness brains available in our civilian life. The comparable Harriman figure was approximately the same. It was still further sustained by the head of the International Bank, who also examined the problem independently and concluded that the figure is a tight-fitting minimum. It was in no sense a stab in the dark. . . . . It is entitled to a presumption of relative dependability until more competent authority competently proves otherwise.

But I can fully understand, Mr. President, why this figure immediately became the subject of wide controversy. In the first place, there was a big gap between this figure and the President's budgetary estimate of actual cash disbursements for this purpose in the next fiscal year—a gap representing obligations and commitments which must be made in advance if our plans are to possess efficient continuity. In the second place, we have been overwhelmed with such a wealth and welter of supporting statistics that even our own experts— to say nothing of our committee members—have rivaled each other in their headaches. At such a moment it is dangerously easy to "lose sight of the forest for the trees." Busy pencils, playing with their decimals, can make objectivity impossible. The committee's unanimous recommendation escapes the horns of this dilemma by rooting itself in a few solid fundamentals.

First. If this plan can succeed on the basis recommended by its authors, no well-wisher would allow it to fail at its inception through lack of original resources sufficient to its success. That would be "penny wisdom and pound foolishness." It could even be unwitting sabotage.

Second. Any estimate of these essential resources, in advance of experience with the plan, is problematical at best. In such circumstance we should start with figures which enjoy the preponderance of supporting evidence rather than to arbitrarily slice off what might be the difference between success and stillborn failure.

Third. Therefore prudence recommends that we launch the plan with figures which offer no alibi for failure; but on a timetable which permits us to review the figures at the earliest moment when experience will permit us to deal with the realities.

On the basis of these sanities, the Committee on Foreign Relations unanimously cut the duration of this first authorization from 15 months to 12 and it reduced the figure from $6,800,000,000 to $5,300,000,000. This latter figure accurately reflects the estimated expenditures and commitments for the first 12 months of the original work sheet for 15 months. In other words, we have not undermined the resources for one year from April 1, 1948, which we are warned by the authors of this plan are essential to its success. We have not transferred from them to us the responsibility for a failure which might be charged to initial lack of funds. We have not impaired either the resources or the psychology upon which the plan depends. But we have made it imperative that the first task of the next Congress and the next administration next January shall be to resurvey this whole problem in the light of experience and reality; and thus we have reduced the first authorization by $1,500,000,000.

Mr. President, I attach the greatest importance to this change in the timetable. By next New Years we shall have had nine months' experience with this enterprise. We shall then know the efficiency of its all-important administrative management; and we shall have the benefit of the Administrator's advice. We shall also have the first-hand judgments of our own joint congressional watch-dog committee. We shall know whether a good crop overseas has lightened the C.E.E.C. deficit. We shall know much more about the nature and extent—or perhaps even the suspension—of the sabotage campaigns of the wrecking crews. Most important of all, we shall know to what extent self-help and mutual cooperation in Western Europe are giving promise of the vitality upon which this plan inseverably rests. We shall know many things upon which today we can only speculate. . . . .

One thing more about this figure of $5,300,000,000. It goes for loans and grants. The division rests with the Administrator, counseled by his own board and by the National Advisory Council consisting of the highest officers of the government. The division will depend upon the beneficiary's ability to pay and upon the nature of the assistance. The loans will be serviced by the Export-Import Bank.

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It is roughly estimated that loans will represent from twenty per cent to forty per cent of the grand total. Using the lower percentage in averaged application to the first year's authorization, its net cost to us is much nearer $4,000,000,000 than $5,300,000,000. It could be—we may hope it will be—even lower in its net effect.

At this point I interject another vital fact. While it is impossible to establish accurate categories at the moment, it is expected that two or three of these sixteen countries in C.E.E.C. will be cooperators without any drain upon our dollar aid. They will pay their own way. It also is expected that three other countries will be exclusively on a temporary loan basis—without any grants. It is contemplated that only two countries will be exclusively on a basis of grants. The other eight countries will be on a variable scale of loans and grants. This is no loose giveaway. In every instance the plan is geared to hardpan economics.

CALCULATIONS

I now speak of the method used to arrive at this figure. It involves so-called balance of payments. For each country this is the difference between national income from exports, foreign services, and foreign investments, on the one hand, and essential imports of goods and services, on the other hand. This is the balance of payments, and when the former are insufficient to pay for the latter, and there is no gold or convertible currency to make up the difference, any such deficit country is in jeopardy. Under normal exchange conditions, surplus exchange with one country can be balanced against an exchange deficit with others. But this situation does not exist today, and will not until foreign currencies and international exchange are restabilized. This is one of the long-range objectives of this plan—important to every trading nation on earth, our own emphatically included. Meanwhile, the immediate and indispensable objective is to overcome these deficits in Western Europe, including Western Germany.

Current calculations accordingly were made by the following process: First, estimating each country's import requirements; second, deducting therefrom each country's exports and earnings from foreign services and foreign investments and from any other sources; third, deducting available imports from other Western Hemisphere areas. This final figure, translated into dollars, represents the amount of support from us to permit these 16 European countries, plus Western Germany, to import from the Western Hemisphere the commodities essential to recovery. Import requirements of recipient countries were figured on a basis so close that they do not even restore full prewar living standards. In other words, the figures are down to bedrock.

Obviously, this brief description oversimplifies the process. There are many other factors influencing the net result. There are many imponderables, I say again and again. Only experience can demonstrate whether the realities will thrust upwards or push downwards the true evaluation. But this is generally accepted as the best measure of need. It was accepted by the Paris Conference, the executive departments, the Harriman committee, and the International Bank.

I do not undertake to demonstrate that the resultant 12-month figure of $5,300,000,000 in the bill is precisely accurate. I am content to point out that it is little short of amazing how close together all these estimates, independently made, proved to be. I am content to point out that the timetable in this act, as we have reported it, permits the earliest possible congressional review in the presence of reality. I am content to urge that the burden of proof falls heavily upon those who would argue that, pending this early review, the preliminary figure is too large. I have no sympathy with any "take this or nothing" attitude. But I do prayerfully believe that adequacy is the essence of what we do; and surely we can all agree that success with $5,300,000,000 in the first instance is preferable to failure with something less. I remind the Senate further that, under the bill's new timetable, we can balance out even the next fiscal year by the appropriations for the fourth quarter. If facts, as we will know them next January, require readjustments, we can make them in the final quarter. Then we can put them up or down with some degree of justified assurance. When we try to adjust them today, we play with danger to the lifeline of the plan.

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Many other features of the pending bill will develop with the debate. At the moment I refer, finally, to only two.

First. Local currencies must be deposited by each beneficiary country to offset the value of any aid not furnished on terms of payment. The beneficiary country and the United States will agree on the local expenditure of these local currency accumulations in behalf of the purposes of this act. Thus our grants will not become a budgetary windfall in the beneficiary country but will virtually become a revolving fund to do double duty in behalf of the act's objectives.

Second. The investment of private American capital, in approved reconstruction projects in the 16 countries and western Germany, is encouraged by our guaranty of the subsequent convertibility of profits or original investment into dollars. This obviates the hazard most likely to prevent private investment. At the same time it is a highly practical invitation to American private initiative to join in this great adventure on a free-enterprise basis.

Now, Mr. President, with apologies to my colleagues for the length of this intrusion upon their good nature, I conclude. With a few desultory comments, I am done.

First. This act does not include some of our other unavoidable international obligations. We shall have to deal at this session with China, Greece, Turkey, and Trieste, and with the occupied areas for which we are responsible as a legacy from the war. These things must be remembered as we proceed. We must deal with over-all considerations. Particularly we must faithfully remember the superlative importance of effective solidarity in the Western Hemisphere in unhappy, uncertain days like these. Mutually happy and healthy Pan American relationships are indispensable. They must be conserved. It ought to be entirely possible to substantially improve these economical relationships through the triangular trade that should be possible of development in connection with this European recovery plan.

Second. This act largely depends for its success upon the quality of its administration. The choice of the administrator and his associates is one of the most solemn responsibilities that has ever confronted a President of the United States. I beg of the President to search for the best and to be satisfied with nothing less.

Third. This act depends, again, for its success upon the prompt restoration of Western Germany to an effective place in the economy of Europe and the world. It must be decentralized. It must be demilitarized for keeps. But it must be restored to decent hope and productivity. The Western occupying powers must quit their indecision and put Germany wholesomely at work again without delay. The Ruhr alone could spell the difference between success and failure.

Fourth. This act depends also and equally upon the energy and devotion with which these Western European nations pursue the integration which they have volunteered to seek. Our dollars cannot substitute, I say again, for their own will to make common cause for the mutual defense of their own welfare. We do not presume to dictate the formula. But we relentlessly recommend the objective. Standing together these nations can face every vicissitude with hope. Standing apart they may face collapse and even conquest. By its own warning, the wrecking crew awaits.

Fifth. This act seeks and depends upon peace. Peace requires the economic stabilities which are here addressed. Peace also depends upon security against aggression. Security depends upon preparedness. Preparedness depends upon rival arms until, dependably there is a better way. The better way is an undivided United Nations which is made to work in its present or some other form.

Sixth. The act has the amazingly unified support, according to their official voices before our committee of practically all spokesmen in our own land for organized labor and capital and agriculture and industry, for veterans, for women's organizations, for American journalism and, by no means last, for the church.

Seventh. Whatever we are to do, Mr. President, let it be done without undue delay. Whatever our answer is to be, let it be made as swiftly as prudence will permit. The exposed frontiers of hazard move almost hourly to the west. Time is of the essence in this battle for peace, even as it is in the battles of a

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war. Nine months ago Czechoslovakia wanted to join Western Europe in this great enterprise for stability and peace. Remember that. Today Czechoslovakia joins only such enterprise as Moscow may direct.

There is only one voice left in the world, Mr. President, which is competent to hearten the determination of the other nations and other peoples in Western Europe to survive in their own choice of their own way of life. It is our voice. It is in part the Senate's voice. Surely we can all agree, whatever our shades of opinion, that the hour has struck for this voice to speak as soon as possible. I pray it speaks for weal and not for woe.

* * *

TAFT AMENDMENT

Mr. TAFT, Republican, Ohio. Mr. President, I send to the desk an amendment which I offer, and I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 25, lines 15 and 16, it is proposed to strike out "$5,300,000,000" and insert in lieu thereof "$4,000,000,000."

Mr. TAFT. Mr. President, in connection with my amendment to reduce the first-year authorization from $5,300,000,000, I intend to discuss the general theory of the European-Recovery Program and the proper basis on which that program ought to be conducted.

In summary, I am in favor of giving aid to the countries of Western Europe, but only for specific programs clearly necessary for subsistence, or clearly helpful in increasing their production, especially for export. I am strongly opposed to committing ourselves to any over-all global plan to make up some theoretical deficiency in exports and to making any moral commitment beyond amount authorized for the first year.

I am in favor of extending further aid to the countries of Western Europe beyond the demands of charity only because of the effect our aid may have in the battle against communism.

We Americans have always believed in charity for all. Our missionary enterprises and our philanthropies have reached into every continent. For more than a century American standards of health and well-being have been spread abroad by church effort, by welfare and relief groups, and by the government on occasion. American help penetrated all of Europe after World War I, and I myself was secretary of the American Relief Administration which dispensed sums large for those days, both in providing foodstuffs to governments and charity to their peoples. That aid was completed within two years from the end of the war, but after that American aid went into Communist Russia in the days of Lenin, feeding the masses whom the Bolshevik leaders had liberated from depression to starvation. American aid was rushed to Tokyo on a large scale after the disastrous earthquake of 1923. The word "American" has come to mean help throughout the world. But that help, given out of our generosity and because of it was a very different matter from the proposal now before us. Such aid did not purport to solve the long-range economic problems of these other nations. It was never in a volume which materially affected the permanent economy of other nations or constituted a strain on our own. But aid on any such scale as is now proposed, imposing serious taxation on our own people, and creating scarcity and high prices and economic unrest at home, is an entirely different kind of aid from the help we have heretofore extended.

We have also from time to time financed, for the most part through private capital, various sound economic projects in foreign countries or projects which were supposed to be sound. Our government itself, through the Export-Import Bank, has sometimes furnished assistance, but always for projects which showed an excellent chance of full repayment. That was an entirely different program from the one we are considering. In this case the sums advanced admittedly will not be repaid in any considerable degree.

This program, therefore, becomes a question of foreign policy, and foreign policy only. It can be justified only if it is for our own ultimate benefit, for the benefit of our own people, either as an economic program, or as a political program.

In my opinion, the program is completely without economic justification. On the other hand, I think it is justified by the world battle

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against communism. As an economic proposition, I doubt if any of the sums advanced will ever be repaid. Our experience with loans from one government to another is that in times of stress repayment is completely forgotten, and there is no way in which the loans can be collected. If the advances were in a smaller sum, there might be some chance of collection, and there may be some chance of collection on a few limited projects. But all the chances are in favor of a complete repudiation, even if there are promises to repay. These countries today have a huge trade deficiency with the United States and other countries. We will be lucky if they can ever be built up to pay for current expenses from this country by imports into this country. Certainly, there will never be a balance to enable them to pay back past obligations.

It is said that we will promote foreign trade which, in the end, will be beneficial to us. If the American taxpayer pays out $17 billion, it will certainly take a hundred years of improved trade to repay that cost in increased benefits to the American people.

From an economic standpoint, it is difficult to see why we should finance projects in foreign countries for the expansion of their productive facilities when we refuse to use taxpayers' money for that purpose in the United States. Economic recovery in Western Europe must depend principally on the people themselves, on their willingness to work, and on sound government policy. Only their own government can balance their budget, maintain a stable currency, and create the incentive to produce and to export.

I think we tend to overestimate the importance of American dollars and the effect such dollars can have. Even with this full-scale plan, as pointed out by former Senator La Follette, we only meet six per cent of the goods and services which they need and most of which they supply themselves. And yet that six per cent may be very important, particularly in speeding up the recovery which otherwise might be delayed by serious bottlenecks and difficulties of providing particular types of goods necessary for their continued recovery at a rapid rate. I believe very strongly that a too-lavish distribution of American dollars will do more harm than good.

The threat of uncertain but potentially limitless American aid could deter all efforts of European businessmen, labor unions, and government officials to rebuild on the basis of their own efforts. Why should they labor painfully to reconstruct this factory or that factory if a whole new factory may be given them, scot free from the United States, at some future date. In order even to be helpful to these countries, the aid must be most carefully distributed to projects which will clearly be helpful to increased production. This principle we must insist upon. I think the program cannot possibly be justified unless it is confined to that type of project, a project which we see when we undertake it and when our Administrator authorizes it will actually result in increased production in these particular countries.

There are undoubtedly many activities where only our assistance can remove the bottlenecks and prime the pump with the raw materials and machinery. But the aid must be carefully administered if it is to do economic good, even to Europe.

Certainly, there can be no economic justification whatever for our buying wheat in Canada and the Argentine and giving it to Great Britain or France. There is even less justification for buying coffee from Brazil and giving it away in Europe, because it certainly has no food value. We are, however, during the first year, spending $82 million of American money to buy coffee in Brazil to give to European nations. It would take fantastic New Deal economics to justify this extraordinary proposal which takes about $2 billion of American taxpayers' money during the next 12 months. The only possible argument is the old New Deal theory that government spending is a good thing in itself. Whatever can be said for spending in times of depression, such spending at times like this, even in the views of the wildest school of economics, can only increase inflation. There certainly can be no economic justification for such a procedure as we contemplate in buying more than $2 billion worth of goods the first year from Canada, the Argentine, Brazil, and other countries in America, in order that we may give away the goods thus acquired to the Western European countries.

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Furthermore, from an economic standpoint, the proposed program is a serious interference with our own economic stability and can well do more harm than all the economic benefit conceivable for many years to come. It imposes about $6 billion of taxes on our people which reduces their standard of living, either by taking away their income or increasing the prices which they have to pay. The free distribution of American dollars over the world is one of the main causes of inflation which we have suffered during the past year and which may not yet be checked.

In the year 1947 we exported in goods, services, and invisible items $19,400,000,000 against imports of $8,000,000,000. In other words, we took $11,400,000,000 worth of goods and savings out of this country without any corresponding production or imports. That created shortages which, in my opinion, were chiefly responsible for the inflation which began, or which was resumed, we may say, in May 1947. It seemed last year that prices had about stabilized themselves, but after the tremendous exports of the second quarter they started steadily upward again. Roughly speaking, the committee bill contemplates an increase in exports to Western Europe of approximately one and one-half billion dollars, including invisible items, over the exports to Europe in the year 1947. The Department of Commerce estimates that exports to the rest of the world will fall off some two and two-tenths billion dollars, and that the export surplus will, therefore, be only ten and one-half billion dollars, as compared to eleven and four-tenths in 1947. The tremendous surplus in 1947 was due almost entirely to the freedom with which we distributed dollars throughout the world. Many of these dollars were accumulated during the war from lend-lease and many other military expenditures. These dollars have been liquidated, but under the committee plan, more than $2 billion will be made available to Argentina and Canada to compete in this country with our own citizens for goods which may be in short supply. Other dollars are made available through the Export-Import Bank, surplus property, credits, ship-sale credits, U.N.R.R.A., post-U.N.R.R.A. relief, and the British, Greek, and Turkish loans. In addition to this, dollars have been distributed by the International Fund and also by the International Bank.

It is generally admitted that after the World War we overloaned our money to foreign countries. When, in 1929, these loans stopped because it became apparent that they could not be repaid, our export trade and all the employment based upon it collapsed and added to the intensity of the depression. Now we are repeating the same principles with the taxpayer's money instead of the money of private citizens. Sooner or later this huge export trade must decrease, and unless it is very carefully handled, such decrease may be a substantial contributor to a new depression. The free credit which we are granting and have been granting to all parts of the world is creating a false prosperity which cannot be permanently maintained.

Mr. President, I see no economic justification for the program. I see many reasons why it may be seriously harmful to us, or at least require us to sacrifice. If it is well and carefully administered, I do not believe that the amount of harm it may do, in reasonably limited amount, can balance the political advantage of the plan; but certainly if it is badly administered, the harm that can be done under the plan will probably be much greater than any political advantage we could obtain.

* * *

As Senator La Follette said to the committee, the Harriman committee was convinced that the inability of the European nations at this time to pay their own way grows more largely out of economic and social disorganization than out of wartime destruction, or even out of adverse external economic circumstances such as the high price of imports and the loss of foreign investments.

However, I should like to vote for a program of economic aid in a reasonable amount, under the excellent system of administration proposed by the Committee on Foreign Relations. I believe that the justification for the aid rests on the extraordinary condition which exists in the world today and the desire, in order to meet that condition, that we build up the strength of Western Europe, even in spite of the heavy cost to ourselves and the very considerable economic danger. . . . .

Undoubtedly, however, by their own ad-

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mission, if we can create a condition in these countries under which production is increased, together with the standard of living, conditions will be much less favorable for Communist success. In the long run, I think these countries would be better off if they brought about their recovery through their own efforts with a little outside aid, but it might take ten years to do the job, and it is possible that it could be done in two years with our help.

I have pointed out all the pitfalls that may exist and the possibility that the plan may completely fail, but if it is well administered and if we have the cooperation of the governments of these countries, we can improve conditions more quickly. We may lose every cent we put up, but it seems to me there is a chance that it will aid the battle against communism. The stakes are so large that I believe we can afford to take that chance.

* * *

Mr. HAWKES, Republican, New Jersey. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from New Jersey.

Mr. HAWKES. The Senator from Ohio said that, so far as he was concerned, he felt there was no moral obligation to go further than $4 billion, with the amendment.

Mr. TAFT. If the amendment is not adpoted, $5,300,000,000.

Mr. HAWKES. What I want to ask is, does the Senator feel there is any obligation to go further than $5,300,000,000, if the bill, without his amendment, is passed?

Mr. TAFT. I see no such moral obligation. I would not hestitate next year, if I thought the program ought not to continue, to refuse further advances. I think it would be difficult, I may say—and that will appear in my prepared statement, later—having run through the first 12 months, to stop off-hand. I mean there would be certain things in process, and I have no doubt they would involve certain additional expenses in the second year, even if it were decided to stop the program. But I see no moral obligation to continue the program any time Congress wishes to stop it.

* * *

Mr. TAFT. I favor the extension of aid to European countries to the extent which appears to be absolutely necessary and effective to maintain a reasonable subsistence for the people of the 16 nations and to enable them to increase their own production of goods on a self-supporting basis. If we proceed on that theory, does the pending bill conform to it, or does it commit us to something beyond the justification of reason?

In the first place, I believe that the Foreign Relations Committee, under the leadership of the distinguished Senator from Michigan, has done a most effective job in cutting down and improving the State Department plan. It removed the $17 billion figure from the bill, thus eliminating any implication of a commitment for that amount or for any amount during the last three of the four years during which aid is authorized if approved by the administration and by Congress. Furthermore, by cutting down the period from 15 months to one year, the commitment implied at this time is reduced by a billion and a half dollars. While the Appropriations Committee can properly reduce the amount for the time being, I am afraid there is a moral commitment implied up to the amount named, but I can see no moral commitment beyond that amount. I suppose that the momentum of the plan will necessarily carry it on into the second year at some additional expense. A magnificent job was done by the committee in destroying the State Department plan to have this money administered under its direction. I agree with the general feeling of Congress that the State Department has no consideration whatever for the American taxpayer or the American economy. The State Department seems to share the foreign view that this country is an inexhaustible reservoir of money and commodities. Sometimes I think it shares the view that we owe these European countries an annual present.

RESTRAINTS

I have not found that restraints in bills are very effective. I do not believe our hold on the administration of this plan will be effective. That is why I think we need to give the administrator of the plan sufficient money so that he may be forced to conduct the plan in an economic way rather than along the lines of what seems to me to be a global plan proposed by the State Department.

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Mr. President, what exactly is the proposal which is before us? We are asked to authorize the sum of $5,300,000,000 for a period of 12 months. In addition to this we are asked to appropriate $67 billion to provide food and other essential commodities for the civilian population of Germany. This sum has always been heretofore included in estimates of the C.E.E.C. and of the Harriman committee. I am not sure, but I am somewhat inclined to think that the amount for Germany will be greater than $670 million. I know that in the Harriman report, both on page 9 and page 85, it is stated that the cost of the German occupation outside of the direct cost of the necessary troops and personnel, will soon be running at the rate of $1 billion a year. However, I shall accept for the present the statement that the sum is $670 million. That is what the Army says it will cost for the two zones.

In addition to that financing, we are asked to advance $275 million, so that the total financing requested for Western Europe is at least $6,245 billion for the next 12 months.

The proposal in my amendment is to reduce this amount by $1,300,000,000, so that the total financing out of United States funds will be approximately 5 billion.

The figures submitted by the C.E.E.C. as revised by the Harriman committee, and as revised by the State Department, are all based on the theory of an economic plan for Western Europe. All the 16 countries in Western Europe and Western Germany were invited to submit a list of imports which they thought were necessary and exports which they expect to make. The exports were subtracted from the imports, and we were handed a bill for the difference. The figures have been somewhat revised by limiting the demands which the State Department thought excessive or impossible to fulfill. But the theory remains the same. We are to make up the difference. They decide what the export difference is and they ask us to make up the difference between their exports and imports.

I think this calculation is almost an impossible one to make. I do not believe that anyone can make that kind of a calculation. I do not think it can be made for a year, much less for four years.

I think the whole theory of the so-called balance of trade between exports and imports is an impossible calculation to make. Incidentally, on that theory the British seem to have provided themselves with approximately $2 billion out of the $6 billion to make up their supposed export deficiency. That means at the rate of 40 million pounds a month. That is about the rate at which they are going now. They hope very much to make it less. Considering the fact that the purpose of the plan is to defeat communism and considering that Great Britain is producing at full supply, it seems to me that the $2 billion which is earmarked for England is certainly subject to more question than that which goes to the other countries.

If we do what is proposed, we have to decide how much food the French will eat, how many calories they will eat, how many calories the British will eat. That is something we should not have to do. If they want more wheat, they should come to us and we might well say, "All right, we have 200 million bushels extra, and we will furnish you with the wheat." But we should not have to determine how much the British have to eat and how much food they ought to have. I think they should determine that. Yet this program requires that we determine the standard of living and the number of calories in each country in Europe that participates in the plan, if that is the basis on which we are to proceed.

* * *

Mr. ELLENDER, Democrat, Louisiana. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield to the Senator from Louisiana.

Mr. ELLENDER. While the Senator is discussing the method used in determining the method used in determining the amount to be allocated to each country, I wonder if he would tell us how he came to select the figure $4 billion and how it will be distributed?

Mr. TAFT. I shall come to that a little later. I would rather handle that subject as I had prepared to do. No special sanctity attaches to the $4 billion figure, any more than to the $5 billion figure. I am only trying to show that the calculation was based on an unsound method.

Mr. ELLENDER. I desired to ascertain

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the method by which the distinguished Senator arrived at the figure $4 billion.

Mr. TAFT. I will suggest the method by which I reached that figure before I conclude.

How can we guess what the production in these countries will be, or what their exports will be, dependent as those things are on their own government policies? It depends on whether they encourage production or whether they have a tax system which encourages increased production. It depends on whether they balance their budget. It depends on whether they stabilize their currency. It depends on all kinds of conditions which we cannot determine in advance.

It is completely a matter of guess, so far as I can see, when we try to make an economic plan for a country ahead of time. We could not do it for our own country during the war, although we tried to, and we were infinitely remote from the actual result in every case. Yet that is the basis for the calculation in this case, that is the basis for the entire sum which has been mentioned in all the different plans.

I have here a great deal of material as to what the exports are. Yet when we analyze it we find a tremendous field in which other exports are not described in any way.

Mr. McCloy, the President of the International Bank, testified, as appears on page 1004 of the hearings:

> The items covered by the reports of the technical committees established by the C.E.E.C. represent about sixty per cent of all the imports. They alone have been subjected to a close scrutiny.

The other forty per cent have not been subjected to close scrutiny, so far as I can discover. When we examine the illustrative composition of imports of the various countries set out on pages 118 to 129 of the hearings, we find that after listing everything which could be considered important, other exports total anywhere from thirty to fifty per cent of the totals. In short, the figures are a guess, and cannot be checked.

The only use of the so-called balance-of-payments theory I can think of is that it gives us a kind of an idea of the magnitude of the problem. We get some idea of what the size of this undertaking is. But so far as providing an exact figure of justification is concerned, I do not think anyone can find any such justification in the record.

Shoemaker for *The Register and Tribune Syndicate*

"We'll Prime It—"

The C.E.E.C. countries included capital reconstruction. The whole theory of including capital improvements is questioned by the Harriman committee. On page six of the report the committee says:

> It cannot be too strongly stated that the process of investment and capital formation imposes severe strain on the country undertaking it. Such a task introduces money income into the economy. . . . The process is highly inflationary. To the degree that capital goods are sent to Europe from the United States, it is true, the strain is transferred from European economies to our own. Nevertheless, the secondary effects of large capital programs should not be overlooked. Some of the European countries have attempted to exceed this rate. It seems unlikely that European nations can prudently afford to sustain capital formation on as large a scale as they have planned.

Senator La Follette said:

> The need especially for industrial items and capital equipment should be most carefully examined. Development projects that are not directly related to the building up of an export balance should not receive encouragement or a dime of assistance.

Some of those projects are eliminated, but so far as I can discover, there are still included a number of projects of that nature of capital development.

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The same general idea comes from Roy Harrod, an economist of Oxford University, who wrote this:

> There is a fallacy which has taken root in Europe which may be very dangerous precisely because it has a strong appeal for Americans. This is that large-scale capital reconstruction is necessary for the revival of the economies. . . . We must seek to disillusion the Americans of the idea that Europe cannot survive unless she embarks upon a large-scale capital-modernization program. This is likely to waste American assistance and intensify all the specific difficulties which arise from the inflationary pressure throughout Europe. It will defer recovery in the vital matters of currency reform, the restoration of circulating capital, and the revival of productive effort.

As a matter of fact, when this theory was first tried, the calculation under it called for $29 billion in Paris. Then the State Department recalculated the figures and got down to $22 billion. Finally the State Department reduced the figure to approximately $17 billion, plus something from the International Bank, to a figure somewhere in the neighborhood of $19 billion. That shows the wide variation which can be reached by pursuing the balance-of-payment theory. I do not believe the theory is sound or should be considered as a proper basis for an amount we are to expend in Europe to assist the 16 countries. I think we should provide the amount which we think can actually help them from time to time as the projects are presented. I do not believe we should commit ourselves to give such guaranty of an export balance as this plan seems to involve.

Mr. President, we have had the same theory presented heretofore. It has been the theory of the present administration for quite a long time. The cost of the ideas of many planners, if applied to all countries in the world, would amount to a billion dollars every year. If we do what is proposed for the western countries of Europe, we will have to do it for other countries, for China, for instance, and after we get through trying to raise the standard of living of all the people in the world, we will not have anything left in the United States. That is what I do not like in the approach; the fact that the whole plan is based on a global desire to raise the standard of living of all the people in the world according to a formula which some planner has figured out.

We had presented to us the proposals for the International Fund, and the British loan. I opposed both of them. I voted against them. I say today that the votes against those plans were justified. The plans were presented as global plans, to save the world. Again there was no justification actually in the figures which were presented.

I have before me the report of the committee on the Bretton Woods agreement. In it I find this statement:

> The Bretton Woods proposals are the foundation of the United Nations program for international cooperation. Although the fund and bank are the results of the joint efforts of the representatives of 44 United Nations, they put into effect the principles of stable and orderly exchange arrangements and sound international investment which have long been the policy of the United States. It would be a tragedy if this country, which has taken the lead in world organization for political and economic cooperation, were to reject these proposals.

And yet we put $2,750,000,000, mostly in gold, into the international fund, and, so far as I know, it has not stabilized any currencies; it has not removed any exchange restrictions; it has not done any of the things it was promised it would do. It was a great plan, conceived on a global scale, to solve the problems of the world.

With respect to the International Bank, there were never quite the same objections to it, but, of course, as a practical matter, that bank has been authorized for more than two years and it has made only one or two minor loans. It has finally gotten into operation. I think it is much more justified. I do not think the entire assistance given by that bank has amounted to the difference of $1,300,000,000 which I propose to strike from the authorization contained in the pending bill. Perhaps the bank has loaned as much as one-half billion dollars or so.

Mr. President, I wish to refer to the views of the minority on the International Bank proposal.

The minority said:

> These measures, added to the other policies endorsed by the Administration, embark the United States on a vast program of lending money abroad and guaranteeing private investments abroad, which program is wasteful of our assets, will create a false and inflated export trade leading to depression,

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and is more likely to create ill will than good will toward the United States.

Purporting to solve the world's economic troubles, neither the fund nor the bank offers a solution for the present emergency difficulties of a single country during the transition period; nor can the fund accomplish any of its alleged purposes during the transition period.

Nor has it accomplished any of its alleged purposes. The French government the other day defied it, because it tried to prevent deflation of the franc. Because that deflation was not acceptable to the British government, the French defied the bank, and now they are not entitled to withdraw any more money from that particular fund.

When we came to the British loan, it is rather interesting to recall that at that time the Treasury told us that there was no need for a British loan. Mr. White appeared before our committee. I remember he testified that the idea that there was no solution to the world's difficulties in the British loan was a complete error. He said that Bretton Woods would solve everything, and a British loan was not needed. Yet it was but a very short period after that when we proceeded to debate the British loan again, not as a specific aid to Britain, but as an attempt to solve the problems of the world by again setting up Great Britain as a solvent, going concern, so that sterling throughout the world would be on a par with dollars. That is what we were told when we were asked to vote $3,750,000,000 for the British loan.

Mr. President, it seems to me that $4 million is enough, for various reasons. In the first place, it is just about what we have been putting up during the past two years. I do not mind continuing to assist Europe at about the rate we have been doing. We have been straining ourselves to the limit. We have shipped everything we possibly could ship, and we have actually shipped, according to the basic document, approximately $5 billion a year during those two years. If this $4 billion is included, plus the German figure, which always should be included, and the additional shipments for military purposes, our shipments will be about $5 billion if this amendment is adopted.

The program contemplates an increase of about one and one-half billion in exports to Europe. I think we have been more generous than any other country has ever been. I think we have strained ourselves to the limit. We have imposed higher prices and shortages on the people of the United States. I am willing to continue at that rate, but I do not believe that we should increase it. The result of the figure of $5,300,000,000, plus the additional amounts, is to increase the amount to the extent indicated, so far as I can calculate from the very confused figures, but particularly from the report of the Nourse committee, which gives a tabulation of the aid already extended, and from page thirty of the basic documents on the European Recovery Program, printed for the Foreign Relations Committee. We have been going at the rate of approximately $5 billion, and that would be the effect if this figure were made $4 billion.

* * *

Mr. LUCAS, Democrat, Illinois. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LUCAS. Did I correctly understand the able Senator from Ohio to say, in substance, that a continuation of the same amount which we have expended in the past on the European program would be nothing more nor less than a relief program?

Mr. TAFT. No; I do not think it has anything to do with the relief program. During the past two years we have been shipping to Europe everything. We have been shipping steel, and every other conceivable thing which is made in the United States, and we shall continue to do so if we have $5 billion for that purpose.

Mr. LUCAS. I understand that we have been shipping a great many things, but we have been shipping many products through private enterprise. Is it not a fact that the great bulk of the money expended in Europe by the Government has been expended over the past three or four years, especially since the war, primarily for relief purposes?

Mr. TAFT. The $3,750,000,000 for Britain was not spent primarily for relief purposes. It was spent for anything the British wanted to buy. It was spent by them in all parts of the world. It was spent partly for food, but it was more than enough to make up their entire deficiency of imports.

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Mr. LUCAS. I did not understand that the able Senator was including the loan made to Britain. If he is including all loans of that type, the story is quite different.

Mr. TAFT. I think there is one thing in the committee report which gives an entirely erroneous impression. On page 47 are set out the so-called relief-type commodities and services, amounting to $4,400,000,000, and the recovery type, amounting to $2,300,000,000; but the committee included in the relief-type items food, fuel, fertilizer, cotton, and wool fibers. Cotton is not a relief item. Cotton is for the manufacture of cotton goods. It is a raw material. It is one of the things which we regard as necessary for recovery, not for relief. The same is true of wool fibers.

The coal which we are shipping is not relief coal. It is not to keep people warm. It is almost entirely coal which goes into the mills, to be used in the manufacture of steel. That is not relief. So as a matter of fact the relief items in this program are very much smaller than the recovery type items. There is no more reason why we could not cut the relief items than there is reason why we should not cut the recovery items. After all, we are not providing any tremendous proportion of the food which they eat, and it is just as possible to shave that item as it is to shave the other items. So I do not believe that the charge that this means a relief program instead of a recovery program is in any way justified.

On the question of exports from this country, this program, as I have pointed out, involves an increase of $1,500,000,000 a year in exports to Europe. It is true that the Department of Commerce estimates that there is a decrease of $2,200,000,000 in exports to the rest of the world, which, incidentally, largely exceeded the exports to Europe. I do not know on what basis that result is reached. It is said that other countries are running out of dollars; but I am not so sure that they are running out of dollars. There has been some decrease in exports up to this time. Whether that will continue is hard to say. In any event, unless we get some decrease, we certainly are going to have the inflation again which we had under the tremendous export deficit of the past year. It is true that the figure is contemplated to be a little less—ten and a half billion net. But ten and a half billion dollars worth of goods taken out of this country, with nothing put back, is probably a dangerous inflationary condition under any circumstances.

I do not believe that we ought to increase the amount of exports to Europe if we are going to maintain the economy of this country; and if we do not want to increase the amount of exports to Europe, we must cut the program about $1,500,000,000, which gets back again to the figure of $4 billion.

Mr. President, the suggested total of $6 billion is not supported by specific programs or completely by countries which need aid. There is a long list of commodities in the committee report on pages 24 and 35, but surely no one can say that those commodities are all essential; no one can say that they must be shipped; no one can say that Europe must have $156 million worth of coffee next year at our expense, or largely at our expense.

Grains and oil cake, constituting feed for animals, are represented by a figure of approximately $750 million. We are not going to have sufficient feed in this country to produce enough meat to meet the requirements of the American people. True, we are not exporting meat. But under this plan we are providing funds for feed for all the European cattle. If the European countries do not have quite so much feed for cattle, they will not have quite so much meat. But I do not see that there is any evidence that they cannot take a reduction in the amount of their meat, just as we are taking a reduction in the amount of our meat.

In this list there are included all the ordinary foods on which people live. In addition, there is a list of other foods. For instance, the tobacco bill which we are asked to pay under this measure is $293 million. Certainly it cannot be correctly stated that we must supply $293 million worth of tobacco, and that the amount cannot be cut. Of course, I do not wish to interfere with the tobacco industry in the State of the distinguished Senator from Kentucky [Mr. BARKLEY], but, obviously, some reduction could be made in the item of $293 million for tobacco.

For coal we are asked to provide $389 million. Cannot we hope that these European

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countries will increase their coal production sufficiently to enable some cut to be made in that item?

For timber we are asked to provide $333 million, to come out of United States funds. Mr. President, we do not have too much timber in this country. We need it for the building of our own homes. Can it be said that that item cannot be cut? This program cannot possibly be taken as an untouchable program essential for the success of the entire procedure. Of course these items can be cut; of course the total amount must be cut; of course the amount of the commodities which we shall provide can be cut.

Finally, Mr. President, we get down to "other imports"—just other imports, everything having been calculated. The amount set aside for that, from United States taxpayers' funds, is $4,228,000,000, in addition to all the more important items which are listed above that.

Mr. President, when we consider all these items and consider the countries which are to receive the aid, I do not think anyone can correctly say there is anything sacred about the proposed total of $5,300,000,000.

Furthermore, Mr. President, if the cut which I propose is made, there are other ways in which these countries can do something in this connection. There are available assets, in large volume, which can be used, if necessary. Certainly some of them can be used to make up for a cut of $1,300,000,000 in the amount of money that is to be asked of the American taxpayers. The International Fund to which I have referred can be used. In one year, $558,000,000 can be drawn from the International Fund. It is supposed to be drawn on for exchange purposes, but everything is in one pot. We have not considered using that fund in this connection. So far as I can ascertain, we have not given credit for the 558 million of American dollars which can be drawn out of that fund by the 16 countries here involved, under the provisions of the International Fund agreement.

The private citizens of these 17 countries hold $4,300,000,000 in free assets and $1,300,000,000 in blocked assets certified for release. So, the citizens of these countries have a total of $5,600,000,000. It may be said that we must not take it away from them. I agree that in the long run I do not want to take it away, either. But somehow, it seems to me, these other countries could dig up the other $1,300,000,000 which I think the American taxpayers should save on this program.

The gold and short-term dollar balances of the governments included in this program amount approximately to $7 billion, as is indicated on page 65 of the pamphlet on foreign assets, which was printed for the Senate Finance Committee last year.

If we add all the assets of foreigners and foreign governments in the total number of participating countries, we find that the total gold and United States assets of these countries and their nationals, including long-term assets, which are difficult to sell, amount to $13,662,000,000. That includes the items I have already mentioned as belonging to the governments and the private citizens of those countries. The total amount owned by those governments and their citizens is approximately $13 billion. I agree that some of that belongs to countries that do not need any aid. No doubt some of that money is not distributed where it should be in order to do the most good. Of course, they should not be absolutely deprived of working capital; but obviously out of the total of $13 billion they can dig up $1,300,000,000 if they have to do it. It is not as though there were no source of funds for these purposes other than the funds of the taxpayers of the United States.

Mr. President, one thing that has always interested me is that at the beginning of the war the British put up $900 million of marketable securities with our R.F.C. as collateral for a loan. The interest and dividends on those securities have been used to pay off the loan; but the securities are still there. The British Government thus has $900 million of securities deposited with the R.F.C. against which its loan today is only $175 million. I am not sure about the effect of the last R.F.C. legislation; but so far as a loan on a sound basis is concerned, the British could borrrow on that collateral $700 million. However, they do not want to borrow. Why? Because if they do, they have to pay it back, whereas under this plan they do not have to pay back what they receive. That is the only reason I can

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see why the British do not want to borrow from the R.F.C. on those assets, which are perfectly sound. A loan based on them would be a sound loan, but they would pay back to us the money thus advanced.

There are other means by which these governments may make up for the reduction in the total amount which I propose, and under which circumstances the amount of such reduction would not have to be paid by the American taxpayers. I have not mentioned the gold in dollars held throughout the world, apparently largely in hiding, by people who are hoarding—for instance, in France and other countries. That is said to amount to many billions of dollars, but I do not know that there is any practical means at getting at those particular assets.

True, Mr. President, it will involve some sacrifice for these countries to use up any of their own assets, but certainly they provide a tremendous fund from which some temporary reduction in American charity could be made.

Mr. President, I believe this reduction should be made, for a number of reasons: First, because the Congress ought to economize on all programs, foreign and domestic. When we propose to cut all the appropriation bills for American projects, when the Senate has voted to reduce the total United States budget by $2,500,000,000, why should a foreign loan be peculiarly sacred? There is nothing so far as I can see, to demonstrate that there should not be a reduction in this program, as well as in other programs; and on general principles of economy I think there should be some reduction.

In the second place, Mr. President, I think the European countries should be impressed with the conviction that the United States is not too liberal. I do not think they should be encouraged to rely upon us; and I think we should show that we are not simply going to take their calculations, in effect, and carry them out except to the extent that we do not actually have the goods. I think in the long run it will force their governments into a more sensible and wise policy and greater cooperation, if they feel that they have to prove their case in every instance, and that the American taxpayer is not quite the complete give-away artist that he is pictured to them by some persons who go abroad.

In the third place, Mr. President, I do not like to approve a figure which is derived, so far as I can see, simply from this balance-of-payments theory.

Furthermore, I think it is very desirable that the Administrator be made to feel that he does not have an unlimited fund at his disposal. I think he should be made to feel that he can grant money only for projects which are clearly effective and necessary, and that when a project is dubious he should feel, "If it is dubious, I had better not undertake it." I think he himself ought to be restrained by a sense of economy forced upon him by the amount of the fund. As I said, we cannot control his appointment. We do not know who he will be. I think this is the only effective means of securing an economical and piece-by-piece administration as contrasted with a global loan to one country in the manner of the British loan. . . . .

I believe very strongly that we should go as far as we can, and that as far as we go we shall do good. I see no reason to think we should confine ourselves to relief. I do not believe that $4 billion—it is really a $5 billion program—will in any way confine us to relief. I see no reason why a relief item should not be cut as much as recovery items.

Mr. President, I feel very strongly that this is a business proposition. I think we ought to aid Europe because I believe it is an effective weapon against communism. But I feel that we ought to make it clear, and it can be made clear by adopting the amendment, that we want the administration conducted on a strictly business basis.

Asked why he lived in small dusty rooms in the top floor of Hollis Hall, Charles Townsend Copeland, famous Harvard professor, replied: "I shall always live on the top floor. It is the only place in Cambridge where God alone is above me." He paused, and added, "He's busy—but He's quiet."

—*Alexander Animator*

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